

2017
ANNUAL REPORT 年報

啟用
新名稱

展現
新氣象

NEW CHINESE
NAME FOR
SYNERGIS
HERALDS IN
NEW HORIZONS



SYNERGIS HOLDINGS LIMITED
昇捷控股有限公司

(Incorporated in Bermuda with limited liability 於百慕達註冊成立之有限公司)

Stock Code 股份代號 : 02340.HK

MISSION 使命

We are committed to creating value for stakeholders by providing comprehensive and innovative solutions that achieve high quality results.

我們致力為持份者創造價值，為他們提供全面及創新的方案，以達至高質素成效。

VALUES 企業價值

- Customer Focus
以客為本
- Integrity
正直誠實
- Teamwork
群策群力
- Innovation
不斷創新
- Pursuit of Excellence
追求卓越

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SIGNIFICANT EVENTS OF THE YEAR

本年大事回顧

MARCH 2017

Became one of the first batch organisation being awarded the 15 years Plus Caring Company Logo by the Hong Kong Council of Social Service.

成為香港社會服務聯會首批獲頒發「15年Plus商界展關懷」嘉許標誌的機構之一。



MARCH 2017

Won two awards at the Construction Industry Safety Award Scheme 2016/2017.

榮獲「建造業安全獎勵計劃2016/2017」兩項獎項。



MARCH 2017

Awarded "Prevention of Pneumoconiosis Best Practices Award – Excellence Award in the Occupational Safety and Health Award 2016/17".

榮獲「職業健康大獎2016/17 – 預防肺塵埃沉著病獎項」卓越表現大獎。



APRIL 2017

Renewed the status of "Manpower Developer" in the Manpower Developer Award Scheme organised by the Employees Retraining Board.

獲僱員再培訓局延續嘉許為「ERB人才企業嘉許計劃 – 人才企業」。



MAY 2017

Won over 100 property and security services awards from various regions. 於各區物業及保安選舉中囊括過百個獎項。



JUNE 2017

Launched leasing and real estate agency business and awarded of a service contract for Golden Plaza, a famous wedding theme shopping mall located in Mongkok.

開展租賃及地產代理服務，為香港著名的婚禮服務主題購物商場 – 旺角金都商場提供服務。



JULY 2017

Awarded of alteration and addition works contract of an indoor all-weather swimming pool at Po Leung Kuk Camoes Tan Siu Lin Primary School.

承接保良局陳守仁小學室內全天候泳池的改建及加建工程合約。

SIGNIFICANT EVENTS OF THE YEAR

本年大事回顧

JULY 2017

Beijing Team won the CCFA Shopping Centre Golden Lily Award, the Oscar award of the industry.

北京團隊獲得有商界奧斯卡美譽的「CCFA購物中心金百合獎」。



JULY 2017

Set up a new standing committee "S-Power" for ESG and employee activities planning and encouraged staff to maintain work life balance and contribute to the community.

成立「S-Power昇動力」委員會，負責籌劃環境、社會及管治及員工活動，鼓勵員工平衡工作和生活，並積極回饋社會。



AUGUST 2017

Adopted a new Chinese name to better align with the Group's English name and to enhance market positioning.

集團更改中文名稱，以更好地配合現有的英文名稱及提高市場地位。



SEPTEMBER 2017

Won two awards in "Quality Management • Caring Buildings" Property Management Competition.

榮獲「識管·惜樓宇」物業管理比賽兩項獎項。



OCTOBER 2017

Awarded of alteration and addition works contract of Hing Man Shopping Centre and interior decoration contract of a hotel project in Tung Chung.

承接興民商場的改建及加建工程及東涌一個酒店項目的內部裝修工程合約。



SIGNIFICANT EVENTS OF THE YEAR

本年大事回顧

OCTOBER 2017

Won five awards in the Excellence in Facility Management Award (EFMA) 2017 organised by the Hong Kong Institute of Facility Management.

榮獲香港設施管理學會「卓越設施管理獎2017」五項獎項。



NOVEMBER 2017

Awarded of six overseas projects to provide property sales agency services in Cambodia, Thailand and Malaysia.

承接六個海外項目，為柬埔寨、泰國及馬來西亞的項目提供物業銷售代理服務。



NOVEMBER 2017

Awarded of two car park management contracts by Link Asset Management Limited comprising 48 car parks and over 24,300 parking spaces located in the New Territories.

承接領展資產管理有限公司兩份位於新界的停車場管理合約，合共48個停車場，超過24,300個泊車位。

NOVEMBER 2017

Awarded of several contracts of the Hong Kong International Airport, including modification & reinstatement service for shop units in Terminal 1, North Satellite Concourse and Skypier, enabling works for personal display systems installation in Terminal 1 and baggage reclaim hall and baggage belt improvement work project.

承接香港國際機場的多項工程，包括一號客運大樓、北衛星客運廊及海天客運碼頭的店舖改裝及翻新工程、於一號客運大樓的個人航班信息顯示系統安裝工程、行李領取大堂及行李輸送帶優化項目等。

CHAIRMAN'S STATEMENT

主席報告



Chairman, Mr. Kingston Chu Chun Ho
主席·朱俊浩先生

Dear shareholders,

On behalf of the Board of Directors (the “Board”) of Synergis Holdings Limited (the “Company” or “Synergis”), I hereby present to you the annual performance of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2017.

During the year, the Company adopted a new Chinese company name “昇捷控股有限公司” and a new logo as part of re-branding exercise to better align with its English name, to cope with the change of new shareholder to Champ Key Holdings Limited (“Champ Key”) and to enhance our positioning in the market for the Company’s future development.

The property and facility management (the “PFM”) business maintained a stable performance and manages over 86,000 residential units and 8.5 million square metres (“sqm”) of residential, commercial and industrial facilities of nearly 300 PFM projects in Hong Kong and Mainland China. With its expertise and extensive experience to offer one-stop services to customers for nearly 40 years, the Group has been well recognised by the market. With rich

致各位股東：

本人謹代表昇捷控股有限公司(「本公司」或「昇捷」)董事會(「董事會」)向閣下呈報本公司及其附屬公司(統稱「本集團」)截至2017年12月31日止年度的年度表現。

於本年度，本公司採納新中文名稱「昇捷控股有限公司」及新標誌以作重塑品牌活動的一部分，旨在更好地配合現有的英文名稱、並配合新股東已更換為Champ Key Holdings Limited(「Champ Key」)及提高市場地位以促進本公司的未來發展。

物業及設施管理(「物業及設施管理」)業務維持穩定的表現，於香港及中國內地近300個物業及設施管理項目，當中超過86,000個住宅單位及8,500,000平方米(「平方米」)的住宅、商業及工業設施。本集團以專門知識及豐富的經驗為客戶提供一站式服務近40年，一直備受市場推崇。憑藉豐富的停車場管理經驗，我們

CHAIRMAN'S STATEMENT

主席報告

experience in car park management, we have been awarded two new carpark management contracts with Link Asset Management Limited to provide services for 48 car parks in the New Territories. In 2017, the Group has launched its leasing and real estate agency business which will become one of the Group's key foci. Besides, the Group determined to enhance the business model of its ancillary business and reposition its strategy. The new brand "SynWave" is committed to providing customers with professional laundry, cleaning, security services, procurement and maintenance contracting.

Our interiors and special projects (the "ISP") business remains the engine and driving force for our growth. This business segment contributed over two-thirds of the Group's total revenue and recorded an outstanding workload of approximately HK\$1.4 billion as of year ended 31 December 2017. Apart from renovation, fitting-out and small scale construction businesses, being our core businesses in Hong Kong, ISP has actively expanded its business in raw materials procurement and online trading so as to ensure direct supply of high quality raw material with support from the curtain wall factory in Mainland China. Keen competition in the market and a continued rise in operating costs have had some impacts on our financial results of both segments. We would be eager to maintain and foster our core businesses to continuously offer top-notch professional services to customers. As we further our mission through the new changes and diversified business scopes, we are committed to creating value for stakeholders by providing comprehensive and innovative solutions that achieve excellent results. In addition to its existing business in Hong Kong, Macau and Mainland China, the Group is eyeing to expand its footprint to the South East Asia region.

The Group has suffered a loss of approximately HK\$56 million for the year ended 31 December 2017. It was mainly attributable to one-off non-cash adjustments including an impairment loss on goodwill and a write-off of Hsin Chong's trademark. The impairment loss on goodwill arising from the acquisition of ISP business from Hsin Chong Group Holdings Limited ("Hsin Chong") in late 2012 was HK\$55 million for the year ended 31 December 2017, due to decrease in new orders awarded for ISP business in 2017 and the increasingly competitive business environment for ISP business. Besides, the Group also took a write-off of Hsin Chong's trademark that the Group acquired along with ISP segment in late 2012 of approximately HK\$28.3 million (net of tax) during the year.

獲得領展資產管理有限公司授出兩份新停車場管理合約，以於新界48個停車場提供服務。於2017年，本集團推出其租賃及房地產代理業務，勢將成為本集團的主要焦點之一。另外，本集團矢志改良其輔助業務的業務模式和重訂其策略。新品牌「SynWave」致力向客戶提供專業洗衣、清潔、保安服務、採購及保養合約。

我們的室內裝飾及特殊項目（「室內裝飾及特殊項目」）業務仍為增長之引擎及動力。此業務分部為本集團貢獻超過三分之二之總收益，且於截至2017年12月31日錄得未完成的工程，金額約港幣1,400,000,000元。除了翻新、裝修及小規模建築業務外作為我們在香港的核心業務，室內裝飾及特殊項目積極開拓原材料採購及網上買賣業務，在中國內地幕牆廠房的支持下，確保獲得優質原材料的直接供應。市場的激烈競爭以及經營成本持續上升對兩個分部的財務業績產生一定程度的影響。我們希望保持及鞏固核心業務的同時，繼續提供頂級專業服務予客戶。隨著我們透過新變化及多元化業務範疇邁向目標，我們竭力提供全面創新解決方案以達致理想業績，藉此為持份者創造價值。除了香港、澳門及中國內地的現有業務外，本集團有意擴大版圖至東南亞地區。

截至2017年12月31日止年度，本集團錄得虧損約港幣56,000,000元。此乃主要由於一次性非現金調整，包括商譽減值虧損及撇銷新昌商標。截至2017年12月31日止年度，源於2012年底向新昌集團控股有限公司（「新昌」）收購室內裝飾及特殊項目業務的商譽之減值虧損為港幣55,000,000元，原因是2017年室內裝飾及特殊項目業務獲授新訂單減低及室內裝飾及特殊項目業務的經營環境競爭越趨激烈。此外，本集團亦於本年度撇銷新昌商標，其由本集團於2012年底連同室內裝飾及特殊項目分部一併收購，金額約為港幣28,300,000元（扣除稅項）。

CHAIRMAN'S STATEMENT

主席報告

The recovery from Hsin Chong for the year ended 31 December 2017 was not satisfactory. Other than the repayment of approximately HK\$3.3 million plus interest on 30 October 2017 under the supplemental agreement dated 17 August 2017 entered in between Hsin Chong and the Company (“Supplemental Agreement”), the Company has not received further repayment from Hsin Chong until now. The Company is doing all endeavours to ensure the recovery of the remaining amount of receivables of approximately HK\$63.4 million from Hsin Chong by the deadline of repayment period pursuant to the Supplemental Agreement (i.e. 1 June 2018). We would like to share more details of the Group's performance, financial position and operation of the Group for the year in the following section of Management Discussion and Analysis.

To strengthen the Group's financial capacity to support the new significant projects and provide adequate buffer for its working capital requirement, an aggregate of approximately 69.5 million placing shares were issued and the placing was completed on 13 June 2017. The Company received the net proceeds of approximately HK\$73.9 million, representing a net issue price of HK\$1.06 per placing share.

Taking into account the financial results, the Group's available cash reserves and working capital requirements, the Board resolved not to declare final dividend for the year ended 31 December 2017 (31 December 2016: Nil).

We are grateful for the effort and continuous support which our colleagues and business partners have put forth in driving the Group towards sustainable development. Aligning our values of customer-focus, integrity, teamwork, innovation and pursuit of excellence, sustainability is a core focus of our business strategy. We are truly hopeful that our combined efforts would create positive impacts in Hong Kong. We would like to share more details for the reporting period in our first standalone Environment, Social and Governance (“ESG”) Report.

Stepping into 2018, Hong Kong property market is keeping an expansion mode. Public gives great concern over housing stock production and the speed up of the issue of housing completion. We will expect that the property management business will expand simultaneously. We will continue to expand our management portfolio by capturing the continuing outsourcing activities implemented by private residential owners, corporations and government institutions. The management will also strive to identify new strategic growth opportunities under the challenging market conditions. Besides, with a track record of our ISP segment evidenced through the winning of

截至2017年12月31日止年度，向新昌的收款未如理想。除了根據新昌與本公司訂立日期為2017年8月17日的補充協議（「補充協議」）於2017年10月30日收到還款約港幣3,300,000元加利息外，本公司迄今再無收到新昌的進一步還款。本公司竭盡所能確保於補充協議所載還款期限（即2018年6月1日）前向新昌收回應收款項餘額約港幣63,400,000元。我們將於下文管理層討論及分析一節刊載更多詳情，內容有關本集團於本年內的表現、財務狀況及營運。

為加強本集團的財務實力以支持新大型項目及為其營運資金需求提供充分緩衝，已發行合共大約69,500,000股配售股份，配售已於2017年6月13日完成。本公司獲得所得款項淨額約港幣73,900,000元，即淨發行價為每股配售股份港幣1.06元。

經計及財務業績、本集團的可用現金儲備及營運資金需求，董事會議決不會就截至2017年12月31日止年度宣派末期股息（2016年12月31日：無）。

我們感謝同事及業務夥伴的努力及長期支持，推動了本集團邁向可持續發展。為切合客戶為本、誠信、團隊精神、創意及追求卓越等價值，可持續發展是業務策略的核心焦點。我們衷心希望我們攜手努力，貢獻香港。我們將於首份獨立環境、社會及管治（「環境、社會及管治」）報告刊載更多有關報告期間的詳情。

踏入2018年，香港物業市場繼續擴張。大眾非常關注住屋供應量及住屋落成加快的問題。我們預期物業管理業務將同時擴張。我們會繼續把握私人住宅業主、企業及政府機構實施的持續外判活動，藉此擴大管理組合。在嚴峻的市場狀況下，管理層亦會致力尋求全新策略增長機遇。另外，室內裝飾及特殊項目分部的往績記錄出眾，可見於本年內獲得的多份新合約，包括香港國際機場行李運送自動化的建築及機電工程、東涌酒店客房的內部裝修及旺角

CHAIRMAN'S STATEMENT

主席報告

several new contracts during the year, including building and electrical and mechanical works for automation of arrival bags delivery at Hong Kong International Airport, interior decoration for hotel guestrooms at Tung Chung and reprovision of swimming pool at a primary school at Mong Kok, etc. The strength and capability in managing large scale projects, supported by our competent and professional teams, are widely recognised. Our ISP business is well positioned for stable long term growth.

In order to increase our profitability despite intensifying competition, we consider cost control as important as expansion of the business portfolio. We are reviewing the operating performance of both business segments and would implement appropriate cost controls in the forthcoming financial year.

We believe diversification of business scope and broadening revenue source will bring more stable and recurrent return to the Company and increase value to the shareholders of the Company. The Group is cautiously optimistic towards the outlook of both businesses with continuing challenge and uncertainties in 2018. We will continue to actively manage a customer centric portfolio of high quality services with a learning mindset. We are well positioned to deal with challenges and capture the opportunities ahead in this changing world.

On behalf of the Board, I would like to express my most sincere gratitude to our Directors and dedicated team of staff for their unwavering commitment and passion for the business over the past years. I would also like to sincerely thank all our valued service providers, business partners as well as our shareholders for their continuous support. With the solid business base and the effort of all our staff, the Group will endeavour to write a new chapter in the future.

In 2017, we also saw changes in membership of the Board with the departure of Mr. Stephen Ip Shu Kwan, Mr. David Yu Hon To and Mr. Wong Tsan Kwong. We shall bid farewell to Mr. Kan Fook Yee at the forthcoming annual general meeting ("AGM"). All four of them provided valuable service and wise counsel to the Board in the past nine years and I thank them warmly for their advice and support.

Kingston Chu Chun Ho

Chairman

Hong Kong, 27 March 2018

一間小學的泳池重置等。在稱職的專業團隊支援下，管理大型項目的優勢及實力廣獲認同。室內裝飾及特殊項目業務有望錄得穩定的長期增長。

為了在日益激烈的競爭下提高盈利能力，我們認為成本控制與業務組合擴張同樣重要。我們正在檢討兩個業務分部的營運表現，並將於下個財政年度實施合適的成本控制。

我們深信，多元化業務範疇及擴大收益來源將為本公司帶來更多穩定及經常性回報，同時提升本公司為股東帶來的價值。2018年仍然充滿挑戰及不確定因素，本集團對各業務的前景抱持審慎樂觀態度。我們將繼續以好學之心，積極管理以客為本的優質服務組合。我們已準備就緒迎接未來種種挑戰及把握市場變幻莫測帶來的機遇。

本人謹代表董事會向董事及盡心盡力的員工團隊於過去多年來為業務的竭誠付出及敬業樂業，致以最衷心的感謝。本人亦謹此對所有寶貴的服務供應商、業務夥伴及股東一直以來的鼎力支持致以誠摯的感謝。通過堅實的業務基礎及全體員工的努力，本集團將竭力寫下未來的新篇章。

於2017年，我們的董事會成員組合亦有所變動，其中葉澍堃先生、俞漢度先生及黃燦光先生已離任。我們亦將於應屆股東周年大會（「股東周年大會」）與簡福飴先生道別。上述四位董事於過去九年為董事會提供寶貴服務及明智建議，本人謹衷心感謝彼等的意見及支持。

主席

朱俊浩

香港，2018年3月27日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL OVERVIEW

財務概覽

		2017	2016	Change 變動	
				Amount 金額	% 百分比
Revenue 收益	HK\$' million 港幣百萬元	2,083.3	2,433.5	(350.2)	-14.4%
Gross profit 毛利	HK\$' million 港幣百萬元	166.8	185.2	(18.4)	-9.9%
Gross profit margin 毛利率		8.0%	7.6%		+0.4%
Operating profit before exceptional operating items 除特殊經營項目前經營溢利	HK\$' million 港幣百萬元	20.4	63.7	(43.3)	-68.0%
Doubtful debts recovery 收回壞賬	HK\$' million 港幣百萬元	19.8	-	19.8	-
Impairment of contracting work-in- progress and receivables 興建中的工程及應收款項減值	HK\$' million 港幣百萬元	(5.9)	(91.8)	85.9	+93.6%
Operating profit/(loss) 經營溢利/(虧損)	HK\$' million 港幣百萬元	34.3	(28.1)	62.4	+222.1%
Impairment loss on goodwill 商譽減值虧損	HK\$' million 港幣百萬元	(55.0)	-	(55.0)	-
Intangible asset write off 撇銷無形資產	HK\$' million 港幣百萬元	(33.9)	(1.7)	(32.2)	-1,894.1%
EBITDA 除息稅、折舊及攤銷前盈利	HK\$' million 港幣百萬元	50.5	(16.8)	67.3	+400.6%
Loss attributable to shareholders 股東應佔虧損	HK\$' million 港幣百萬元	(54.4)	(39.5)	(14.9)	-37.7%
Basic losses per share 每股基本虧損	HK cents 港幣仙	(13.8)	(11.7)	(2.1)	-17.9%

The Group reported consolidated revenue of approximately HK\$2.1 billion for the year ended 31 December 2017, a decrease of 14.4% over the year ended 31 December 2016. The management team had focused on improving gross profit and was able to keep similar gross profit margin as that of last year in spite of keen competition and rising cost. The Group recorded an operating profit before exceptional operating items of approximately HK\$20.4 million after taking into account operating expenses arising from tearing up business segments and recruiting talents, poised to open a new page for the Company. Unfortunately, the Group recorded a loss attributable to shareholders of approximately HK\$54.4 million including few exceptional items as compared to the loss of approximately HK\$39.5 million recorded last year.

截至2017年12月31日止年度，本集團錄得綜合收益約港幣2,100,000,000元，較截至2016年12月31日止年度減少14.4%。雖然競爭激烈及成本上升，管理團隊專注提高毛利，成功將毛利率保持於去年的水平。經扣除為本公司揭開新一頁所產生之分拆業務分部及招聘人才而產生的經營開支後，本集團錄得除特殊經營項目前經營溢利經營溢利約港幣20,400,000元。本集團遺憾地錄得股東應佔虧損約港幣54,400,000元，其中包括多項特殊項目，而去年則錄得虧損約港幣39,500,000元。

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The loss attributable to shareholders was stated after charging a non-cash impairment loss on goodwill of HK\$55.0 million and a write off of Hsin Chong's trademark of approximately HK\$28.3 million (net of tax), both of which were related to the acquisition of the ISP business from Hsin Chong in late 2012. We have taken an impairment charge on goodwill based on the management assessment especially the change of revenue growth of ISP business due to the decrease in terms of revenue and profits as a result of the poorer performance this year than budgeted and fewer new orders awarded as compared with last year. Furthermore, there is an increasing uncertainty over the business growth in the continuously increasingly competitive business environment of ISP business. Besides, the Company has written off Hsin Chong's trademark which no longer has any useful life or resale value from the Group's perspective, since Hsin Chong has ceased to be the major shareholder of the Company towards the end of 2016 and subsequently a rebranding exercise was carried out in mid-2017 with new trademarks designed, selected and for trademark registration applications made. Details of the impairment loss on goodwill and write off of intangible asset are set out in note 16 to the consolidated financial statements. Moreover, the Group has also recognised the doubtful debt recovery of approximately HK\$19.8 million, the majority of which being approximately HK\$19.0 million was from Hsin Chong. Being prudent after taking into account repetitive deferred repayment schedule and the absence of the announcements regarding any concrete cashflow enhancement activities by Hsin Chong, an additional amount of approximately HK\$5.9 million on impairment of contracting work-in-progress and receivables has been provided during the year. Losses per share was 13.8 HK cents (2016: losses per share was 11.7 HK cents).

Regarding the update on Hsin Chong's repayment status, the Company entered into a supplemental agreement on 17 August 2017 in addition to the settlement agreement dated 27 March 2017 with Hsin Chong after arm's length negotiation for the repayment of remaining balance of receivables of approximately HK\$66.7 million plus interest by instalments, pursuant to which the deadline of the repayment period had been deferred from 31 July 2017 to 1 June 2018. Other than the repayment of approximately HK\$3.3 million plus interest on 30 October 2017 under the Supplemental Agreement, the Company had not received further repayment from Hsin Chong as at the date of this report. The Company will continue to seek for settlement of the remaining balance of receivables of approximately HK\$63.4 million plus interest under the Supplemental Agreement within the agreed period and the net balance of receivables of approximately HK\$3.0 million plus interest during the year. The Company is monitoring the situation closely and seeking legal advice as to actions it may take to protect its right.

所列表載股東應佔虧損已扣除非現金商譽減值虧損港幣55,000,000元及撇銷新昌商標約港幣28,300,000元(扣除稅項)，兩者均與2012年底向新昌收購室內裝飾及特殊項目業務有關。我們已根據管理層評估，尤其是室內裝飾及特殊項目業務的收益增長變動，就商譽作出減值扣減，乃由於本年度業績較預算欠佳及較去年取得較少新訂單導致收益及溢利減少所致。此外，室內裝飾及特殊項目業務的營商環境的競爭日益激烈，業務增長之不明確因素增加。再者，自接近2016年底時新昌不再為本公司主要股東，本公司已撇銷對本集團不再具有任何可使用年期或轉售價值的新昌商標。隨後，2017年中進行重塑品牌活動，並設計、篩選新商標、作出商標註冊申請。商譽的減值虧損及無形資產撇銷詳情載列於綜合財務報表附註16。此外，本集團亦已確認收回壞賬約港幣19,800,000元，其中大部分為向新昌收回之壞賬約港幣19,000,000元。於本年度額外約港幣5,900,000元興建中的工程及應收款項減值已作撥備，此乃經考慮新昌因多次延期還款時間及未有公佈任何具體的現金流量加強活動後而作出之審慎之舉。每股虧損為港幣13.8仙(2016年：每股虧損為港幣11.7仙)。

有關新昌的還款情況最新資料，經公平磋商分期償還應收款項餘額約港幣66,700,000元加利息後，本公司與新昌除於2017年3月27日訂立還款協議外，於2017年8月17日訂立補充協議，據此，還款期限由2017年7月31日延長至2018年6月1日。除根據補充協議於2017年10月30日還款約港幣3,300,000元加利息外，本公司於本報告日期前並無獲得新昌的進一步還款。本公司將繼續根據補充協議於協定期間內尋求償還應收款項餘額約港幣63,400,000元加利息及本年度之應收款項淨額約港幣3,000,000元加利息。本公司正密切監察狀況及就其可能採取的行動尋求法律意見以保護其權利。

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BUSINESS REVIEW AND PROSPECTS

Business Overview

On 1 August 2017, the Company has adopted a new Chinese name “昇捷控股有限公司” which signifies the Group’s establishment of a new milestone, as the Chinese character “昇” means new drives, new team and new momentum while the Chinese character “捷” represents stepping forward and achieving success. The PFM arm has also used “昇捷” to replace its previous Chinese name “新昌” while “ISP” business has adopted a new English and Chinese name of “ISP” and “昇柏” respectively.

The Group’s PFM business remained stable in revenue and continued to maintain its solid market position whilst ISP business continued to be a significant contributor to the Group’s revenue.

業務回顧及前景

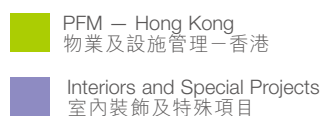
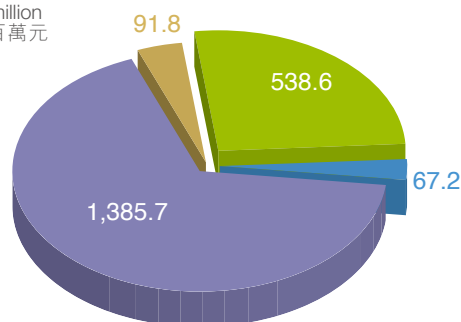
業務概覽

於2017年8月1日，本公司已採納新中文名稱「昇捷控股有限公司」，意味本集團將建立新里程碑，因為中文字「昇」表示新衝勁、新團隊及新動力，而中文字「捷」則代表踏步向前，邁向成功。物業及設施管理分部亦使用「昇捷」代替其舊中文名稱「新昌」，室內裝飾及特殊項目業務已分別採納新英文「ISP」名稱及中文名稱「昇柏」。

本集團的物業及設施管理業務收益維持穩定，並繼續保持穩健的市場地位；室內裝飾及特殊項目業務則繼續為本集團收益的重大來源。

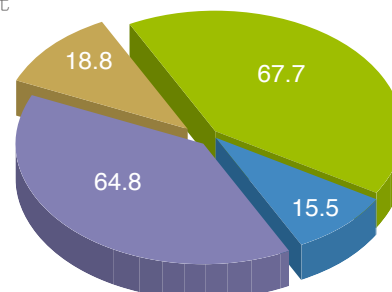
Revenue 收益

HK\$ million
港幣百萬元



Gross Profit 毛利

HK\$ million
港幣百萬元



MANAGEMENT DISCUSSION AND ANALYSIS

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The operating results of PFM business and ISP business in the following sections excluded the exceptional operating items being the impairment of contracting work-in-progress of approximately HK\$2.7 million and receivable of approximately HK\$3.2 million both related to Hsin Chong and its subsidiaries (collectively “Hsin Chong Group”) during the year and the recovery of doubtful debts of approximately HK\$19.8 million previously impaired last year.

以下各節的物業及設施管理業務及室內裝飾及特殊項目業務的經營業績，並不包括特殊經營項目即是與新昌及其附屬公司(統稱「新昌集團」)有關之興建中的工程約港幣2,700,000元及應收款項減值約港幣3,200,000元，及收回去年計提之壞賬撥備約港幣19,800,000元。

		Revenue (HK\$' million)			Operating Profit/(Loss) before exceptional operating items (HK\$' million)		
		收益(港幣百萬元)			除特殊經營項目前經營溢利/(虧損)(港幣百萬元)		
		2017	2016	Change 變動	2017	2016	Change 變動
PFM	物業及設施管理						
— Hong Kong	— 香港	538.6	553.8	-2.7%	31.1	31.4	-1.0%
Ancillary Business	輔助業務	91.8	100.6	-8.7%	0.4	3.6	-88.9%
PFM Business	物業及設施管理業務						
— Hong Kong	— 香港						
Sub-total	小計	630.4	654.4	-3.7%	31.5	35.0	-10.0%
PFM	物業及設施管理						
— Mainland China	— 中國內地	67.2	62.1	8.2%	(1.3)	0.6	-316.7%
PFM Business	物業及設施管理業務						
Sub-total	小計	697.6	716.5	-2.6%	30.2	35.6	-15.2%
ISP Business	室內裝飾及特殊項目業務	1,385.7	1,717.0	-19.3%	5.7	44.2	-87.1%
Corporate Overheads	行政費用	-	-	-	(15.5)	(16.1)	+3.7%
Total	總計	2,083.3	2,433.5	-14.4%	20.4	63.7	-68.0%

Property and Facility Management Business

Property and Facility Management

As at 31 December 2017, the Group managed 341 PFM service contracts, with 35 contracts providing asset management, leasing, consultancy and sales agency services. The scope of service covers government departments, large scale public facilities, transportation systems, airport cargo terminals, education institutions, hospitals, industrial and commercial properties, public housing estates, private housing, car parks, etc. During this year, the Group's business has become more diversified.

物業及設施管理業務

物業及設施管理

於2017年12月31日，本集團管理341份物業及設施管理服務合約，連同35份合約提供資產管理、租賃、顧問及銷售代理服務。服務範圍涵蓋政府部門、大規模公共設施、運輸系統、機場貨運站、教育機構、醫院、工商物業、公共房屋、私人房屋、停車場等。於本年內，本集團的業務更趨多元化。

MANAGEMENT DISCUSSION AND ANALYSIS

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Hong Kong:

The Group has secured two 3-year new contracts with a total contract sum of HK\$143.6 million with Link Asset Management Limited to provide management services for 48 Link Real Estate Investment Trust's car parks located in the New Territories and other four major PFM contracts from two-year to three-year, with a total contract sum of around HK\$65.4 million. Major contracts include:

- Hong Kong Baptist University Staff Quarters;
- Centennial College Island South (Pokfulam) Campus;
- Station Assistant Services for various projects for MTR Corporation; and
- The Carparks of residential under the Heya brand name at Cheung Sha Wan

We were able to maintain a high retention rate for contract renewal for the year. The high contract retention rate reflects that Synergis quality services are well received by customers and contributes stable revenues to the Group. The following key contracts were successfully renewed with an increase in service fee and/or with expanded scopes:

- Property Management Service Contracts: Property Management Support Services for Link, King Shan Court, Sun Hing Garden, Lung Mun Oasis, Tin Fu Court and Tin Ping Estate;
- Housing Authority Contract of the Hong Kong Housing Authority Headquarters Customer Service Centre;
- Facility Management Service Contracts of Cathay Pacific Cargo Terminal, the Mid-Levels Escalator and Walkway System Management Contract in Central from the Electrical and Mechanical Services Department, Hong Kong Jockey Club, Riding Schools and Other Associated Properties; and
- Carpark Management Contract of the Housing Authority's Carparks

Although the revenue for this business segment has slightly decreased by 2.7%, the management team was able to keep the operating profit at approximately HK\$31.1 million that was very similar with that of last year. We are striving hard to expand our business under keen competition together with exercising tighter cost control to push for a higher profit margin.

香港:

本集團向領展資產管理有限公司取得兩份三年期新合約，合約總額為港幣 143,600,000 元，提供管理服務予 48 個位於新界的領展房地產基金停車場；以及另外四份兩至三年期的主要物業及設施管理合約，合約總額為約港幣 65,400,000 元。主要合約包括：

- 香港浸會大學職員宿舍；
- 明德學院港島南(薄扶林)校園；
- 港鐵公司的多個項目之車站助理服務；及
- 位於長沙灣「喜」字系列住宅的停車場

於本年度，我們得以保持良好之續約保留率。良好合約保留率反映昇捷之優質服務受到客戶青睞，並為本集團貢獻了穩定收益。以下主要合約在成功續約時服務費均有所上調，及／或某些所涵蓋範圍有所擴大：

- 物業管理服務合約：領展、瓊山苑、新興花園、龍門居、天富苑及天平邨之物業管理支援服務；
- 香港房屋委員會總部客戶服務中心之房屋委員會合約；
- 國泰航空貨運站、機電工程署之位於中環半山自動扶手電梯系統管理合約、香港賽馬會、騎術學校及其他相關物業之設施管理服務合約；及
- 房屋委員會停車場之停車場管理合約

雖然此業務分部的收益輕微減少 2.7%，惟管理團隊成功維持經營溢利於約港幣 31,100,000 元，非常接近去年水平。儘管競爭激烈，我們仍竭力擴張業務，並實施更嚴格的成本控制以爭取較高利潤率。

MANAGEMENT DISCUSSION AND ANALYSIS

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Stepping into 2018, the Group expects to focus more on expanding the facility management business as well. Apart from offering value-added services such as consultancy services to our existing clients, the team also expects to increase our market share by expanding our service scope such as building consultancy and energy audit services. Besides, the team will continue to explore new customers including international schools or other institutions and develop technical consultancy and supporting services to food & beverage industry. With our stable market position in the property management segment, we will continue to retain our current portfolio whilst exploring opportunities in commercial premises especially in West Kowloon.

During the year, the Group has launched its leasing and real estate agency business in Hong Kong with the first project, Hong Kong's famous wedding theme shopping mall — Golden Plaza in Mong Kok. The real estate agency business is one of the key development foci in 2018.

Mainland China:

The financial performance of this business segment was steady compared to that reported last year. However, this segment suffered an operating loss of HK\$1.3 million compared to a profit of HK\$0.6 million last year, mainly due to the increase in overheads in Southern China as a result of expansion of our agency team. The Company has secured several short term to three-year contracts mainly in Shanghai, Beijing and Shenzhen with a total contract sum of HK\$11.6 million.

The following key property management services contracts of the residential/commercial projects:

- A new office building of Huawei with an underground carpark covering a total construction area of 43,000 sqm in the Beijing Huawei Centre;
- Shanghai Hongfa Garden consists of a luxury apartment tower with a construction area of approximately 27,600 sqm and is located at Changning District in Shanghai; and
- Shenyang Maternity and Child Health Hospital is located in downtown area of Shenyang consisting of 25,000 sqm health and care services centre.

踏入2018年，本集團預期亦將更加注重擴充設施管理業務。除向現有客戶提供諮詢服務等增值服務外，團隊亦預期透過擴充服務範圍（如樓宇諮詢及能源審核服務）提高我們的市場佔有率。此外，團隊將繼續發掘新客戶，包括國際學校或其他機構，並發展技術顧問及開發餐飲行業支援服務。憑藉於物業管理分部的穩固市場地位，我們將繼續保留現有組合，同時拓展商業大廈的機會，特別著重於在西九龍的該類大廈。

於本年內，本集團於香港推出其租賃及房地產代理業務，首個項目為香港著名婚禮主題購物商場旺角金都商場。房地產代理業務是2018年的主要發展焦點之一。

中國內地：

與去年所報告的情況比較，此業務分部的財務表現穩定。但此分部錄得經營虧損港幣1,300,000元，與去年則錄得溢利港幣600,000元比較，主要由於擴充我們的代理團隊令華南地區之營運費用增加所致。本公司主要於上海、北京及深圳已獲得數份短期至三年期合約，總合約價值為港幣11,600,000元。

以下主要住宅／商業項目的物業管理服務合約：

- 位於北京華為中心的華為新辦公樓宇（配備地下停車場），總建築面積為43,000平方米；
- 位於上海長寧區的上海鴻發苑，其由一幢建築面積約27,600平方米的豪華公寓組成；及
- 瀋陽市婦幼保健院位於瀋陽市中心地區，是佔地25,000平方米的保健服務中心。

MANAGEMENT DISCUSSION AND ANALYSIS

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The following key agency services contracts of the residential/commercial development projects:

- Fuyong Art Dock project is one of the key commercial projects with a construction area of approximately 30,000 sqm at Fuyong Pier in Shenzhen. We have been appointed as the commercial consultant and sole leasing agent of this project;
- Located in Shenzhen Xixiang District, Xixiang Mall project consists a commercial area of 20,000 sqm. We have been appointed as the commercial consultant and sole leasing agent of the project;
- East One and East Commercial Centre are the municipal government's key construction projects with a total area of approximately 100,000 sqm, consisting a residential tower, two apartment towers and two office towers in new central business district of Phnom Penh in Cambodia. We have been appointed as the sole sales agent in Southern China for this project;
- Yuyao Commercial Project is a commercial complex with a construction area of approximately 31,000 sqm in Yuyao City. We have been appointed as the commercial consultant and sole leasing agent of this project;
- A luxury residential project, Royal Lee The Terminal Phuket — Phase I is located at Sakhu Sub-district, Phuket of Thailand. We have been appointed as the joint sole sales agent of the project; and
- G Residence is a residential development consisting of 480 units of serviced apartments located at Mukim Plentong of Johor in Malaysia. We have been appointed as the sales agent of China Region for the project.

With different requirements of skillsets and job references in Northern China and Southern/Eastern China, management has adopted different development strategies for our developing businesses in different regions. The management team in Northern China focuses on developing the commercial consultancy and leasing services, while the Southern/Eastern China team focuses on developing business in property management and agency services. We will utilise our extensive network and experience in property and facility management to provide our customers with the most specialised services. In addition, the Group has established an extensive business network in the Mainland China and expected to achieve significant progress in forthcoming year.

以下主要住宅／商業發展項目的代理服務合約：

- 位於深圳福永碼頭的福永集創碼頭項目為主要商業項目之一，建築面積約為30,000平方米，我們已獲委任為該項目的商業顧問及獨家租賃代理；
- 位於深圳西鄉區由20,000平方米的商業區組成的西鄉購物中心項目。我們已獲委任為該項目的商業顧問及獨家租賃代理；
- 位於柬埔寨金邊市新中央商務區的East One及東華商業中心為市政府的重要建築項目，總面積約為100,000平方米，其由一幢住宅、兩幢公寓及兩幢寫字樓組成，我們已獲委任為該項目於華南地區的獨家銷售代理；
- 餘姚市商業項目是商業綜合項目，建築面積為約31,000平方米，位於餘姚市。我們已獲委任為該項目的商業顧問及獨家租賃代理；
- 豪宅項目Royal Lee 普吉航城第1期位於泰國普吉府Sakhu Sub-district。我們已獲委任為該項目的聯合獨家銷售代理；及
- G Residence是包括480個服務公寓單位的住宅發展項目，位於馬來西亞柔佛避蘭東鄉。我們已獲委任為項目的中國地區銷售代理。

鑒於華北及華南／華東地區不同的技能要求及工作基準，管理層就不同地區的業務開發採取不同發展策略。華北地區的管理團隊專注於發展商業諮詢及租賃服務，而華南／華東地區的團隊專注於發展物業管理及代理服務。我們將善用廣泛的物業及設施管理網絡及經驗，為客戶提供最專門的服務。此外，本集團已於中國內地成立廣泛業務網絡，預期於來年取得重大進展。

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Ancillary Business

Over the years, in order to provide a one-stop value added service to the customers, Synergis has constantly developed its ancillary business. The Group determined to modify the business model to provide integrated “5 in 1” professional services including procurement, laundry, cleaning, security and maintenance contracting services in mid-2017 to external customers in order to capture the new opportunities as nowadays many commercial corporations tend to outsource their non-core business to improve cost-effectiveness. The new brand — SynWave (新浪潮) aims to offer enhanced, flexible and tailor-made services. Total revenue from the ancillary business reported a 8.7% decrease from last year to HK\$91.8 million as a result of the expiration of several management contracts in property management segment. The gross profit margin was improved from around 3.1% to 20.5% after a series of cost control exercise. However, due to the increase in the costs associated with such transformation in business model and general administrative expenses for business development, investment on infrastructure and repositioning strategy, this business segment only recorded a minor operating profit of HK\$0.4 million for the year ended 31 December 2017.

During the year, a two-year cleaning service contract from Kowloon Motor Bus Depot with a total contract sum of approximately HK\$16.0 million and a two-year technical support services contract with a total contract sum of approximately HK\$10.0 million for drainage improvement works for Tsing Yi Garden had been secured. Furthermore, SynWave has been appointed as the sole corporate distributor of Vinda, responsible for sales and distribution of Vinda's products to more than 150 corporate customers. We have put effort to increase its customer's diversification continuously after a repositioning exercise and expect a significant progress in the coming years.

Interiors and Special Projects Business

As a part of the core business of Synergis, ISP provides one-stop ISP services including planning, design, consultancy, project management, demolition work, site formation work, repair and restoration of historic buildings work, curtain wall, sourcing services, etc. to its local and overseas customers. With its expertise and extensive industry experience and the launch of our new branding, we strive to do better than ever before.

輔助業務

多年來，為了向客戶提供一站式增值服務，昇捷不斷發展其輔助業務。本集團矢志改變業務模式，以於2017年中提供綜合「五合一」專業服務，包括採購、洗衣、清潔、保安及保養分包服務予外部客戶，藉此把握新商機，因為現時許多商業機構傾向外判其非核心業務以提高成本效益。新品牌SynWave(新浪潮)旨在提供經改良、靈活及度身訂造的服務。由於物業管理分部之若干管理合約屆滿，來自輔助業務之總收益較去年減少8.7%至港幣91,800,000元。經過一連串成本控制活動，毛利率上升約3.1%至20.5%。然而，由於該等業務模式轉型及業務發展的一般行政開支、基建投資及重新定位策略導致成本上升，該業務分部於截至2017年12月31日止年度僅錄得小額經營溢利港幣400,000元。

於本年度，我們已自九龍巴士車廠取得一份合約總額為約港幣16,000,000元之兩年期清潔服務合約及一份合約總額為約港幣10,000,000元之有關青怡花園排水改善工程的兩年期技術支援服務合約。此外，新浪潮獲委任為維達的獨家企業分銷商，負責銷售及分銷維達的產品至超過150名企業客戶。經重新定位活動後，我們致力不斷提高客戶多元化程度，並預期未來數年有顯著進展。

室內裝飾及特殊項目業務

室內裝飾及特殊項目乃昇捷核心業務的一部分，向本地及海外客戶提供一站式室內裝飾及特殊項目服務，包括規劃、設計、顧問、項目管理、拆卸工程、地盤平整工程、歷史建築維修及修復工程、幕牆、採購服務等。藉著其專門知識及豐富的行業經驗和推出新品牌，我們努力再創佳績。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

For the year, the total revenue and gross profit of ISP business recorded HK\$1,385.7 million and HK\$64.8 million respectively, representing a decrease of 19.3% and 24.9% in the revenue and gross profit respectively when compared to those of the year ended 31 December 2016. The significant revenue contribution came from residential development at Discovery Bay North Phase 16, the new factory development of a well-established pharmaceutical brand in Yuen Long, the alteration and addition works at Kowloon Investment Building at Bute Street in Mong Kok, which covered over half of ISP's revenue this year. The gross profit margin was around 4.7% that was 0.3% lower than that of last year. The decrease in revenue was mainly due to a lack of new order replenishment in the second half of 2017. Besides, the decrease in gross profit of approximately HK\$21.5 million was mainly due to the lower gross margin generally for the construction projects brought forward from last year together with lower revenue this year in result.

During the year, ISP has expanded its new business in procurement and sourcing services and a metal work fabrication factory in Dongguan to support the curtain wall business. We also set up an interior design consultancy team to expand our services to small to medium size interior design and fitting out works for offices, retail and residential to capture any new opportunities. As a result, the general and administrative expenses substantially increased over 40.7% due to the investment on developing more diversified business to leverage the existing businesses with very keen competition. The operating profit inevitably substantially decreased to HK\$5.7 million for the year ended 31 December 2017.

New contracts amounting to HK\$519.0 million were awarded for the year. The major projects are listed below by nature:

Construction

- Building and Electrical and Mechanical Works for Automation of Arrival Bags Delivery at Hong Kong International Airport; and
- Re-provision of an Indoor All-weather Swimming Pool at Po Leung Kok Camoes Tan Siu Lin Primary School at Yau Ma Tei.

Alteration and Addition ("A&A"), and Fitting-out

- A&A Works at Hung To Road in Kwun Tong;
- Office Renovation Works at 28th Floor for CDW Building in Tsuen Wan;
- Renovation Works at Whampoa Garden;

於本年度，室內裝飾及特殊項目業務的總收益及毛利分別錄得港幣1,385,700,000元及港幣64,800,000元，較截至2016年12月31日止年度的收益及毛利分別減少19.3%及24.9%。收益的主要貢獻來自香港愉景灣北第十六期之住宅發展項目、一個知名製藥品牌於元朗之新廠房發展項目、旺角弼街九龍企業有限公司大廈改建及加建工程，其涵蓋本年度超過一半的室內裝飾及特殊項目業務收益。毛利率為約4.7%，較去年下降0.3%。收益減少乃主要由於2017年下半年缺乏新訂單補充。此外，毛利減少約港幣21,500,000元主要由於去年建造項目所帶來的較低毛利率，並導致於本年度的收益較低。

於本年度，室內裝飾及特殊項目擴張了採購服務的全新業務，以及東莞市五金製品廠以支持幕牆業務。我們亦成立了室內裝飾設計顧問團隊以擴大服務至辦公室、零售店及住宅的中小型內部設計及裝修工程，以把握任何新商機。因此，一般及行政開支大幅增加逾40.7%，原因是以發展更多元化業務所作出之投資，以發揮競爭激烈的現有業務。截至2017年12月31日止年度的經營溢利無可避免地大幅下跌至港幣5,700,000元。

於本年度已獲得新合約達港幣519,000,000元。該等主要項目按性質劃分列示如下：

建造

- 香港國際機場入境行李提取處自動化的建築及機電工程；及
- 重置油麻地保良局陳守仁小學的室內全天候游泳池。

改建及加建（「改建及加建」）、以及室內裝修工程

- 於觀塘鴻圖道的改建及加建工程；
- 於荃灣的中國染廠大廈28樓的辦公室翻新工程；
- 於黃埔花園的翻新工程；

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- Renovation Works at Citistore in Tseung Kwan O;
- Fitting-out for Hotel Guestrooms, Corridors, Lift Lobbies and Lift Car at Tung Chung Town Lot No.2 & 11; and
- A&A Works At Commercial/Carpark Block, Hing Man Shopping Centre, No. 188 Tai Tam Road.

Procurement

- A first phase resort development contract in Danang, Vietnam, with an area of approximately 1.1 million sqm, providing entertainment facilities consultancy services as well as material and facilities procurement services.

The total outstanding workload for contracts on hand, as of 31 December 2017, exceeded HK\$1.4 billion, over two-thirds of which would be completed in 2018. Due to lesser new order replenishment during this year, the total outstanding work orders decreased from approximately HK\$2.2 billion to HK\$1.4 billion this year. With outstanding contracts on hand and our efforts to replenish orders, management believes that the ISP business would deliver growth in the coming years through the team's commitment and dedication to excellence. We will continue to focus on the core businesses (fitting out, A&A, renovation, special construction project, demolition, etc) and target at high end/hotel fitting-out and retail fitting-out business with higher profit margin in the coming years.

After year end, ISP has been awarded a construction manager service and general contractor contract for temple renovation project in Kowloon Tong recently. ISP will provide professional construction manager services at the pre-construction stage to manage project design, project cost control, selection of building materials, plant and equipment, project planning and construction schedule of works. The renovation works for the temple will include interior renovations to the 8 levels of the building (comprising approximately 5,200 sqm), improvements for the garden at ground level, replacement of the roof system, mechanical & electrical plants and the exterior building facade. The exterior building facade of the temple will be replaced in its entirety and the expected project completion will take place by end of 2020. Besides, ISP has also been awarded a construction of a small size superstructure in Macau.

Mandatory Unconditional Cash Offer

The controlling shareholder of the Company has been changed to Champ Key after completion of acquisitions took place on 21 November 2016.

- 於將軍澳千色店的翻新工程；
- 於東涌市地段第2及11號酒店客房、走廊、升降機大堂及電梯車的裝修工程；及
- 於大潭道188號興民商場商業／停車場大樓的改建及加建工程。

採購

- 越南峴港的第一期度假村發展合約，佔地約1,100,000平方米，提供娛樂設施顧問服務及物料和設施採購服務。

於2017年12月31日，手上的未完成工程合約超過港幣1,400,000,000元，當中三分之二以上會於2018年完成。由於年內較少新訂單補給，未完成工程訂單由約港幣2,200,000,000元減少至本年度的港幣1,400,000,000元。鑒於本集團手頭有未完成合約及我們為補充訂單所做的努力，管理層相信，透過團隊的竭誠努力，室內裝飾及特殊項目業務於未來數年將實現增長。我們將繼續集中於裝修、改建及加建、翻新工程、特殊建設項目、拆卸等核心業務，並於未來數年瞄準具較高毛利率之高端酒店裝修及零售裝修業務。

年結日後，室內裝飾及特殊項目近期已獲授九龍塘廟宇翻新項目的建築經理服務及一般承建商合約。室內裝飾及特殊項目將於建前階段提供專業建築經理服務，以管理項目設計、項目成本控制、挑選建材、機器及設備、項目規劃及工程建築時間表。廟宇翻新工程將包括該建築的八層內部翻新(佔地約5,200平方米)、庭園裝修、替換屋簷結構、機電機器及建築外牆。廟宇的建築外牆將完全更換及預期項目將於2020年底完成。此外，室內裝飾及特殊項目亦於澳門獲授小型上蓋建築工程。

強制性無條件現金要約

於2016年11月21日完成收購後，本公司的控股股東已變更為Champ Key。

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Pursuant to Rules 26.1 and 13.5 of the Code on Takeovers and Mergers and Share Buy-backs, Champ Key and parties acting in concert are required to make mandatory unconditional cash offers for all the issued ordinary shares (other than those already owned and/or agreed to be acquired by Champ Key) (“Share Offer”) and to cancel all 7,244,000 outstanding options (“Option Offer”) (collectively, the “Offers”). As 80,000,000 convertible preference shares (“CPSs”) were held by Champ Key as at 30 November 2016, no comparable offer would be made in respect of the CPSs. The offer price of HK\$1.12 per ordinary share under the Share Offer and the offer prices for the Option Offer were set out as below:

- (a) 6,814,000 options may be exercised at an exercise price of HK\$0.952 per ordinary share, the offer price for these options was HK\$0.168 each;
- (b) 330,000 options may be exercised at an exercise price of HK\$0.860 per ordinary share, the offer price for these options was HK\$0.260 each; and
- (c) 100,000 options may be exercised at an exercise price of HK\$0.850 per ordinary share, the offer price for these options was HK\$0.270 each.

The Offers were closed on 3 February 2017.

The change of Company Name and Company Logo

The adoption of Chinese name “昇捷控股有限公司”, as the secondary name of the Company to replace the previous Chinese name “新昌管理集團有限公司” which was used for identification purposes only, was approved by the shareholders of the Company at the annual general meeting held on 19 May 2017 and took effect on 25 May 2017. The Certificate of secondary name was issued by the Registrar of Companies in Bermuda on 4 July 2017, certifying that “昇捷控股有限公司” was registered as the secondary name of the Company on 25 May 2017 and the certificate of Registration of Alteration of Name of Registered Non-Hong Kong Company was issued by the Registrar of Companies in Hong Kong on 18 July 2017. The Chinese stock short name of the shares of the Company for trading on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) has been changed from “新昌管理集團” to “昇捷控股” with effect from 1 August 2017. The English stock short name of the shares of the Company for trading on the Stock Exchange remains unchanged as “SYNERGIS HOLD”. The logo of the Company has been changed to reflect the change of company name with effect from 1 August 2017 as well. The changes of company name and logo are part of the re-branding exercise in light of the change of controlling shareholder of the Company from Hsin Chong to Champ Key.

根據公司收購、合併及股份回購守則規則26.1及13.5，Champ Key及與其一致行動人士須就所有已發行普通股（Champ Key已擁有及／或同意將予收購之該等股份除外）（「股份要約」）及註銷所有7,244,000份尚未行使購股權（「購股權要約」）提出強制性無條件現金要約（統稱「要約」）。由於80,000,000股可轉換優先股（「可轉換優先股」）於2016年11月30日均由Champ Key持有，故將不會就可轉換優先股作出可資比較要約。股份要約項下之要約價每股普通股港幣1.12元及購股權要約之要約價載列如下：

- (a) 6,814,000份購股權可按每股普通股港幣0.952元之行使價行使，該等購股權之要約價為每份港幣0.168元；
- (b) 330,000份購股權可按每股普通股港幣0.860元之行使價行使，該等購股權之要約價為每份港幣0.260元；及
- (c) 100,000份購股權可按每股普通股港幣0.850元之行使價行使，該等購股權之要約價為每份港幣0.270元。

要約已於2017年2月3日結束。

更改公司名稱及公司標誌

本公司股東於2017年5月19日舉行的股東周年大會上批准採納中文名稱「昇捷控股有限公司」作為本公司之第二名稱，以取代過往僅供識別之用之中文名稱「新昌管理集團有限公司」，並於2017年5月25日生效。百慕達公司註冊處處長已於2017年7月4日發出第二名稱證書，證明本公司於2017年5月25日註冊登記「昇捷控股有限公司」作為第二名稱，及香港公司註冊處處長已於2017年7月18日發出註冊非香港公司變更名稱註冊證明書。自2017年8月1日起，本公司股份於香港聯合交易所有限公司（「聯交所」）買賣之中文簡稱已由「新昌管理集團」更改為「昇捷控股」。本公司股份於聯交所買賣之英文簡稱「SYNERGIS HOLD」維持不變。自2017年8月1日起，本公司亦已更改新標誌以示本公司名稱變更。鑑於本公司的控股股東由新昌變更為Champ Key，更改公司名稱及公司標誌為重塑品牌活動的一部份。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Financial Position and Financial Risk Management

As of 31 December 2017, the total outstanding bank loan was HK\$162.4 million, which is scheduled to be repaid over the next three years. This includes an outstanding balance of HK\$60.0 million (of which around \$36.0 million is due over 1 year) relating to the banking facility drawn down for acquiring the ISP business in November 2012. The remaining sum represents working capital loans mainly to support ISP operations and business development. During the year under review, the Group's sources of fund were generated primarily from operating activities, financing activities including placing and existing banking facilities.

On 12 May 2017, the Company entered into a placing agreement (as supplemented by a side letter on 26 May 2017) with Kingston Securities Limited and VMS Securities Limited (the "Placing Agreement") as the placing agents (the "Placing Agents"), pursuant to which the Company conditionally agreed to place through the Placing Agents up to 69,520,000 placing shares (the "Placing Shares") to not fewer than six independent placees at the placing price of HK\$1.09 per Placing Share (the "Placing Price") (collectively, the "Placing"). The Placing Price represented a discount of approximately 19.85% to the closing price of HK\$1.36 per share as quoted on the Stock Exchange on the date of the Placing Agreement. The Placing was completed on 13 June 2017 and an aggregate of 69,520,000 Placing Shares were issued under the general mandate granted to the Directors by the shareholders at the AGM held on 20 May 2016. The aggregate nominal value of the Placing Shares under the Placing should be HK\$6,952,000. The Company received the gross proceeds of approximately HK\$75.8 million from the Placing while the net proceeds was approximately HK\$73.9 million, which represents a net issue price of HK\$1.06 per Placing Share.

財務狀況及財務風險管理

截至2017年12月31日，計劃於未來三年償還之尚未償還銀行貸款總額為港幣162,400,000元，其包括於2012年11月為收購室內裝飾及特殊項目業務而提取之銀行信貸有關之尚未償還結餘港幣60,000,000元（約港幣36,000,000元為逾期超過一年）。餘款為主要支持室內裝飾及特殊項目運作及業務開發之營運資金貸款。在回顧年度內，本集團的資金來源主要來自經營活動、融資活動（包括配售）及現有銀行信貸。

於2017年5月12日，本公司與金利豐證券有限公司及鼎珮證券有限公司（作為配售代理）（「配售代理」）訂立配售協議（經2017年5月26日之附帶函件補充）（「配售協議」），據此，本公司有條件地同意透過配售代理配售最多69,520,000股配售股份（「配售股份」）予不少於六名獨立承配人，配售價為每股配售股份港幣1.09元（「配售價」）（統稱「配售事項」）。配售價較股份於配售協議日期在聯交所報收市價每股港幣1.36元折讓約19.85%。配售事項於2017年6月13日完成，本公司已根據股東於2016年5月20日舉行之股東周年大會上授予董事之一般授權發行合共69,520,000股配售股份。配售事項項下配售股份之總面值為港幣6,952,000元。本公司收到配售事項之所得款項總額約港幣75,800,000元，所得款項淨額約港幣73,900,000元（相當於每股配售股份的淨發行價為港幣1.06元）。

MANAGEMENT DISCUSSION AND ANALYSIS

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The purpose of the Placing which raised approximately HK\$73.9 million after expenses is to provide adequate buffer for the Group's working capital requirements in case that HK\$63.4 million outstanding receivables due from Hsin Chong under its settlement agreement with the Group has not been received after taking into account the expected operating cash inflow, available banking and other facilities. The Group's working capital requirements include operating overheads and the upfront cash outlay (before receipt of payments for certified works carried out) in respect of projects on hand and new projects that may be awarded in the ISP business. The Group closely manages its cash flow position to ensure that there is adequate cash buffer to support new projects if awarded. As at the date of this report, approximately HK\$50.0 million out of the net Placing proceeds was used for supporting the subcontractor payments of ISP business and the balance of approximately HK\$23.9 million has been remained in a bank. The Directors considered that the terms of the Placing Agreement (including the Placing Price and the placing commission) are fair and reasonable based on the market conditions and in the interests of the Company and the shareholders as a whole.

The effects of the Placing on the capital structure of the Company are more particularly depicted in note 22 to the financial information of this report. The full details of the aforesaid transaction can also be referred to in the announcements of the Company dated 14 May 2017, 26 May 2017, 6 June 2017 and 13 June 2017.

The gearing ratios and liquidity have been improved immediately after completion of Placing. The management will continue to proactively monitor the financial position of the Group so as to maintain a sufficient buffer in financial capacity while taking advantage of attractive business opportunities.

配售事項旨在籌集約港幣73,900,000元(扣除開支後)為本集團在根據新昌與本公司訂立之還款協議其尚未償還應收款項港幣63,400,000元。尚未收到的情況下，並計及預期經營現金流入、可用銀行及其他融資後，為本集團營運資金需求提供充足補充。本集團之營運資金需求包括經營開支及有關室內裝飾及特殊項目之已有項目及可能新批之項目之預付現金支出(收到有關進行之認證工程款項前)。本集團會密切管理其現金流量狀況以確保有足夠現金補充為其新批項目提供支持。於本報告日期，所得配售淨額中之約港幣50,000,000元已用作支付室內裝飾及特殊項目業務之分包商付款及餘額約港幣23,900,000元仍存於銀行。董事認為，基於目前之市場狀況，配售協議之條款(包括配售價及配售佣金)屬公平合理且符合本公司及股東之整體利益。

配售事項對本公司股本架構之影響於本報告之財務資料附註22中詳述。上述交易之完整詳情亦於本公司日期為2017年5月14日、2017年5月26日、2017年6月6日及2017年6月13日之公告中提述。

於配售事項完成後，資產負債比率隨即有所改善。管理層致力利用任何良好商機，並將繼續積極監察本集團之財務狀況從而維持本集團之財務能力之充裕空間。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Interest costs on bank borrowings are primarily charged based on a spread over HIBOR. With regard to the current portfolio of businesses, management expects that financial requirements for the future will be met from a combination of shareholders' equity and banking facilities. The Group would continue to manage our financial position and maintain sufficient working capital and liquidity to get ready for any business opportunities and to prepare for the challenges in future.

銀行借貸之利息成本主要按香港銀行同業拆息加息差計算。就現有業務組合而言，管理層預期未來財務需求能夠以股東權益及銀行融資支持。本集團將繼續管理其財務狀況，並維持充足營運資本及流動資金以把握任何商機及為未來挑戰作好準備。

Financial position (HK\$'000)

財務狀況(港幣千元)

		2017	2016
Total assets	資產總值	1,120,897	1,197,562
Receivables and other assets	應收賬款及其他資產	864,921	841,996
Deposits, cash and cash equivalents	存款、現金及現金等值	116,198	129,284
Current assets	流動資產	981,119	971,280
Net assets	資產淨值	250,827	225,550
Current liabilities	流動負債	868,442	963,278
Bank loans	銀行貸款	162,402	204,000
Gearing ratios and liquidity	資產負債比率及流動資金		
Net debt to net assets	淨負債與資產淨值之比率	18.4%	33.1%
Total debt to net assets	總負債與資產淨值之比率	64.7%	90.4%
Current ratio	流動比率	1.1	1.0
Per share data	每股資料		
Shares in issue (all classes)	已發行股份(所有類別)	504,850,000	430,544,000
Basic losses per share (HK cents)	每股基本虧損(港幣仙)	(13.8)	(11.7)
Diluted losses per share (HK cents)	每股攤薄虧損(港幣仙)	(13.8)	(11.7)
Dividend per share (HK cents)	每股股息(港幣仙)	—	1.5
Net assets per share (HK cents)	每股資產淨值(港幣仙)	49.7	52.4

The Group adopts a conservative approach in the management of its financial risks and resources, under the supervision of the Executive Committee.

本集團於執行委員會之監管下對其財務風險和資源採取審慎方式管理。

Interest rate risk arising from bank borrowings is low as interest rates are fixed for short-term periods to take advantage of the lower rates thus available. Interest rates will be subject to fluctuation at the time of renewal.

我們採用短期固定利率以充分利用當前的低息環境，故銀行借貸之利率風險較低。利率將可能於重續時波動。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group's business is conducted primarily in Hong Kong, and the majority of its assets and liabilities are denominated in Hong Kong Dollars, therefore it has minimal foreign currency exposure. The growth in Mainland China has been funded via permanent capital injection, which is for the long-term and as such, foreign currency hedging is considered unnecessary.

It is the Group's policy not to enter into derivative transactions for speculative purposes. It is also the Group's policy not to invest its financial resources in financial products, including hedge funds or similar instruments, with significant underlying leverage or derivative exposure.

Cash Management

The Group operates a centralised cash management system. Cash balances surplus to immediate requirements are mainly placed as short-term bank deposits with a number of licensed banks in Hong Kong.

Human Resources

As at 31 December 2017, the Group employed a total of 5,695 staff (2016: 5,976) in Hong Kong and Mainland China. Employees are remunerated according to their job responsibilities and the market pay trends, with a discretionary annual performance bonus as variable pay for rewarding individual performance and contributions to the respective group's achievement and results.

本集團的業務主要在香港進行，其大部分資產和負債均以港幣計值，因此本集團的外匯風險甚微。在中國內地之增長透過永久注資長期撥付資金，因此本集團認為並無必要進行外匯對沖。

本集團之一貫政策是不會訂立衍生工具交易作投機炒賣用途，亦不會投資於帶來重大槓桿效應或衍生工具風險之金融產品上，包括對沖基金或類似投資工具。

現金管理

本集團設有中央現金管理系統。應對即時需求之現金結餘盈餘主要作為短期銀行存款存放於香港多間持牌銀行。

人力資源

截至2017年12月31日，本集團於香港及中國內地僱佣合共5,695名員工(2016年：5,976名)。僱員根據其工作職責及市場薪金趨勢獲發薪酬，並設有酌情年度表現花紅，以作根據集團成就及業績獎勵個人表現及貢獻的可變薪金。

PROFILES OF DIRECTORS 董事之簡介

MR. KINGSTON CHU CHUN HO

(aged 32)

Mr. Kingston Chu Chun Ho (“Mr. Chu”) was appointed as an Executive Director and the Chairman of the Company with effect from 9 March 2017. He is also a member of each of the Executive Committee, the Nomination Committee and the Remuneration Committee.



Mr. Chu is a licensed person under Securities and Futures Ordinance for Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities for Kingston Securities Limited and Kingston Corporate Finance Limited, respectively. Mr. Chu is a member of Guangxi Committee of The Chinese People’s Political Consultative Conference, a member of General Committee of The Chamber of Hong Kong Listed Companies, vice president of Hong Kong CPPCC Youth Association, Youth Committee Vice Director of HKCPPCC (Provincial) Members Association, vice president of Federation of Hong Kong Guangxi Community Organisations, vice chairman of Hong Kong Guangdong Youth Association, honorary chairman of Hong Kong Guangxi Youth Organisations, Youth Committee Chairman of Hong Kong Federation of Dongguan Associations and a director of Hong Kong Securities Association. Mr. Chu holds a Bachelor Degree of Business from the University of Southern California in the U.S.A.

Mr. Chu has been an executive director of Sincere Watch (Hong Kong) Limited (stock code: 444) (“Sincere HK”), a company listed on the main board of The Stock Exchange of Hong Kong Limited (the “Main Board”), since 29 May 2012. Mr. Chu has also been a director of Sincere Watch Limited, the immediate holding company of Sincere HK since 21 May 2012. In addition, he has been an executive director of Kingston Financial Group Limited (stock code: 1031), a company listed on the Main Board, since 21 August 2015 and a non-executive director of New Concepts Holdings Limited (stock code: 2221), a company listed on the Main Board, since 8 September 2016.

Mr. Chu is the son of Mrs. Chu Yuet Wah, the ultimate beneficial owner of Champ Key, which is the controlling shareholder of the Company.

朱俊浩先生

(32歲)

朱俊浩先生(「朱先生」)自2017年3月9日起獲委任為本公司之執行董事兼主席。彼亦為執行委員會、提名委員會及薪酬委員會之成員。

朱先生分別為金利豐證券有限公司及金利豐財務顧問有限公司於證券及期貨條例項下之第1類(證券交易)及第6類(就機構融資提供意見)受規管活動之持牌人士。朱先生為中國人民政治協商會議廣西壯族自治區政協委員、香港上市公司商會常務委員會委員、香港政協青年聯會副主席、港區省級政協委員聯誼會青年委員會副主任、香港廣西社團總會副會長、香港廣東青年總會副主席、香港廣西青年聯會名譽主席、香港東莞社團總會青年委員會主席及香港證券業協會董事。朱先生持有美國南加州大學商學士學位。

朱先生自2012年5月29日起出任香港聯合交易所有限公司主板(「主板」)上市公司Sincere Watch (Hong Kong) Limited (股份代號：444) (「Sincere HK」)之執行董事。朱先生亦自2012年5月21日起出任Sincere HK直接控股公司Sincere Watch Limited之董事。此外，彼亦自2015年8月21日起出任主板上市公司金利豐金融集團有限公司(股份代號：1031)之執行董事及自2016年9月8日起出任主板上市公司創業集團(控股)有限公司(股份代號：2221)之非執行董事。

朱先生為李月華女士(本公司控股股東Champ Key之最終實益擁有人)之兒子。

PROFILES OF DIRECTORS

董事之簡介

**MR. TERENCE LEUNG SIU CHEONG**

BSc, MHKIE, MCIQB, MHKICM, ACI Arb, R.P.E. (aged 52)

Mr. Terence Leung Siu Cheong (“Mr. Leung”) was appointed as an Executive Director with effect from 10 April 2015. He subsequently was (i) appointed as a Co-Managing Director with effect from 1 September 2015 and re-designated to a Managing Director with effect from 5 April 2016; and (ii) appointed as the Deputy Chairman with effect from 9 March 2017. He is also a member of the Executive Committee.

Mr. Leung is the managing director of certain subsidiaries of the Company. He is also a member of the supervisory board of a joint venture of the Group.

Mr. Leung is responsible for the business development and project monitoring of all addition and alteration works, renovation works, fitting-out works, conservation and revitalisation works, and various construction and special projects. He is a member of the Hong Kong Institution of Engineers and a registered professional engineer. Before joining the Group, Mr. Leung was a senior management member of Hsin Chong Group Holdings Limited, where he established and managed the interiors and special projects division. He has over 30 years of experience in project planning and monitoring, building construction and coordination, cost control, renovation and fitting-out works.

梁兆昌先生

BSc, MHKIE, MCIQB, MHKICM, ACI Arb, R.P.E. (52歲)

梁兆昌先生(「梁先生」)自2015年4月10日起獲委任為執行董事。彼其後(i)自2015年9月1日起獲委任為聯席董事總經理及自2016年4月5日起調任為董事總經理；及(ii)自2017年3月9日起獲委任為副主席。彼亦為執行委員會之成員。

梁先生為本公司之若干附屬公司之董事總經理。彼亦為本集團一間合資公司之監事會成員。

梁先生負責所有加建及改建工程、翻新工程、室內裝飾工程、保育及活化工程，以及各項建築及特殊項目工程之業務發展及項目監控。彼為香港工程師學會之會員及註冊專業工程師。加入本集團前，梁先生為新昌集團控股有限公司之高層管理人員，並成立及管理該公司之室內裝飾及特殊項目部門。彼擁有逾30年之項目規劃與監控、樓宇建造及整理、成本控制、翻新與室內裝飾工程經驗。

PROFILES OF DIRECTORS 董事之簡介

MR. RONALD LAU MAN TAK

(aged 48)



Mr. Ronald Lau Man Tak (“Mr. Lau”) has been appointed as an Independent Non-executive Director since 28 September 2017. He is also the chairman of the Audit Committee, and a member of the Remuneration Committee and the Nomination Committee.

Mr. Lau graduated from the Hong Kong Polytechnic University with a bachelor’s degree of arts in accountancy in November 1991. Mr. Lau has more than 15 years of experience in finance and accounting. He has been an associate member of the Hong Kong Institute of Certified Public Accountants since September 1997, a fellow member of the Association of Chartered Certified Accountants since July 2002, a fellow member of the Hong Kong Institute of Directors since August 2012 and a member and a fellow member of the Hong Kong Securities and Investment Institute since April 2000 and December 2015, respectively.

Mr. Lau is currently the chairman and an executive director of TEM Holdings Limited (stock code: 8346), a company listed on the Growth Enterprise Market (the “GEM”) of the Stock Exchange, and an independent non-executive director of Kingston Financial Group Limited (stock code: 1031), a company listed on the Main Board of the Stock Exchange. He is also a non-executive director and chairman of REF Holdings Limited (stock code: 1631), a company listed on the Main Board of the Stock Exchange. Mr. Lau was an executive director, the chairman, authorised representative and compliance officer of Aurum Pacific (China) Group Limited (stock code: 8148) from June 2012 to September 2014, which is a company listed on the GEM of the Stock Exchange. He was also an independent non-executive director of each of Sincere Watch (Hong Kong) Limited (stock code: 444) from June 2012 to December 2016, Kong Sun Holdings Limited (stock code: 295) from September 2008 to April 2014, AMCO United Holding Limited (stock code: 630) from October 2010 to June 2015 and KuangChi Science Limited (stock code: 439) from March 2008 to September 2015, which are companies listed on the Main Board of the Stock Exchange.

劉文德先生

(48歲)

劉文德先生(「劉先生」)自2017年9月28日起獲委任為本公司之獨立非執行董事。彼為審核委員會主席、薪酬委員會及提名委員會成員。

劉先生於1991年11月在香港理工大學畢業，持有會計學文學士學位。劉先生於金融及會計方面擁有逾15年經驗。彼自1997年9月起為香港會計師公會之會員，自2002年7月起為英國特許公認會計師公會之資深會員，自2012年8月起為香港董事學會之資深會員及分別自2000年4月及2015年12月起為香港證券及投資學會之會員及資深會員。

劉先生現時為TEM Holdings Limited(創新電子控股有限公司*)(股份代號：8346)之主席兼執行董事，該公司於聯交所GEM(「GEM」)上市，亦為金利豐金融集團有限公司(股份代號：1031)之獨立非執行董事，該公司於聯交所主板上市。彼亦為REF Holdings Limited(股份代號：1631)之非執行董事兼主席，該公司於聯交所主板上市。劉先生於2012年6月至2014年9月曾擔任奧栢中國集團有限公司(股份代號：8148)之執行董事、主席、授權代表兼合規主任，該公司於聯交所GEM上市。彼於2012年6月至2016年12月亦曾擔任Sincere Watch (Hong Kong) Limited(股份代號：444)之獨立非執行董事、於2008年9月至2014年4月亦曾擔任江山控股有限公司(股份代號：295)之獨立非執行董事、於2010年10月至2015年6月亦曾擔任雋泰控股有限公司(股份代號：630)之獨立非執行董事及於2008年3月至2015年9月亦曾擔任光啟科學有限公司(股份代號：439)之獨立非執行董事，該等公司全部均於聯交所主板上市。

* 僅供識別

PROFILES OF DIRECTORS

董事之簡介

MR. ERIC LEE HON MAN

(aged 51)



Mr. Eric Lee Hon Man ("Mr. Lee") has been appointed as an Independent Non-executive Director since 28 September 2017. He is a member of the Audit Committee, the Remuneration Committee and the Nomination Committee.

Mr. Lee is currently an independent non-executive director of TEM Holdings Limited (stock code: 8346), a company listed on the GEM of the Stock Exchange, and is employed by Orient Finance Holdings (Hong Kong) Limited as managing director of investment banking department. Mr. Lee graduated from the University of Birmingham, the United Kingdom with a bachelor's degree of engineering in electronic and electrical engineering in July 1988, and obtained a master's degree in business administration from the Chinese University of Hong Kong in December 1993.

Mr. Lee has over 20 years of experience in the corporate finance industry. From August 2015 to February 2017, Mr. Lee worked at LY Capital Limited, a company engaging in advising on corporate finance, as a director. From April 2002 to November 2014, Mr. Lee worked at First Shanghai Capital Limited, a company engaging in advising on corporate finance, and his last position was managing director. From July 1997 to March 2002, Mr. Lee worked at DBS Asia Capital Limited, a company engaging in advising on corporate finance, and his last position was vice president.

李翰文先生

(51歲)

李翰文先生(「李先生」)自2017年9月28日起獲委任為本公司之獨立非執行董事。彼為審核委員會、薪酬委員會及提名委員會成員。

李先生現為TEM Holdings Limited(創新電子控股有限公司*)(股份代號:8346)之獨立非執行董事,該公司於聯交所GEM上市,亦受聘於東方金融控股(香港)有限公司,擔任投資銀行部董事總經理。李先生於1988年7月畢業於英國伯明翰大學,獲工程學士學位(電子及電機工程),並於1993年12月取得香港中文大學工商管理碩士學位。

李先生在企業融資行業有逾20年經驗。李先生於2015年8月至2017年2月為絡繹資本有限公司的董事,該公司從事就企業融資提供意見。由2002年4月至2014年11月,李先生任職第一上海融資有限公司,該公司從事就企業融資提供意見,而彼離職前職位為董事總經理。由1997年7月至2002年3月,李先生效力於星展亞洲融資有限公司,該公司從事就企業融資提供意見,而彼離職前職位為副總裁。

* 僅供識別

PROFILES OF DIRECTORS 董事之簡介

DR. EDWARD WONG YUN KUEN

(aged 60)



Dr. Edward Wong Yun Kuen (“Dr. Wong”) has been appointed as an Independent Non-executive Director since 1 December 2017. He is the chairman of the Remuneration Committee, and a member of the Audit Committee and the Nomination Committee.

Dr. Wong received a Ph.D. Degree from Harvard University, and was “Distinguished Visiting Scholar” at Wharton School of the University of Pennsylvania. He has worked in financial industries in the United States and Hong Kong for many years, and has considerable experience in corporate finance, investment and derivative products. He is a member of Hong Kong Securities and Investment Institute. He is also an Adjunct Professor of Syracuse University, USA.

Dr. Wong is the chairman and an executive director of UBA Investments Limited and Far East Holdings International Limited, an executive director of Boill Healthcare Holdings Limited (formerly known as Ngai Shun Holdings Limited), a non-executive director of China Sandi Holdings Limited and an independent non-executive director of Kingston Financial Group Limited, DeTai New Energy Group Limited (formerly known as Guocang Group Limited), Kaisun Energy Group Limited, GT Group Holdings Limited (formerly known as China Yunnan Tin Minerals Group Company Limited) and Tech Pro Technology Development Limited. Dr. Wong was also an independent non-executive director of Sincere Watch (Hong Kong) Limited from September 2012 to November 2017, Bauhaus International (Holdings) Limited from October 2004 to December 2016, China Sandi Holdings Limited from September 2009 to September 2016, Far East Holdings International Limited from December 2014 to July 2017, Huge China Holdings Limited (formerly known as Harmony Asset Limited) from September 2004 to January 2015, Kong Sun Holdings Limited from April 2007 to November 2014, Huajun Holdings Limited (formerly known as New Island Development Holdings Limited) from October 2010 to September 2014 and KuangChi Science Limited (formerly known as Climax International Company Limited) from June 2007 to August 2014. All the companies mentioned above are listed on the Stock Exchange.

黃潤權博士

(60歲)

黃潤權博士(「黃博士」)自2017年12月1日起獲委任為獨立非執行董事。彼為薪酬委員會主席、審核委員會及提名委員會成員。

黃博士持有哈佛大學博士學位，並曾任賓夕法尼亞大學沃頓商學院之「傑出客席學者」。彼投身美國及香港金融界多年，於企業融資、投資及衍生產品方面擁有豐富經驗。彼為香港證券及投資學會會員。彼亦為美國雪城大學客席教授。

黃博士為開明投資有限公司及遠東控股國際有限公司之主席兼執行董事、保集健康控股有限公司(前稱毅信控股有限公司)之執行董事、中國三迪控股有限公司之非執行董事以及金利豐金融集團有限公司、德泰新能源集團有限公司(前稱國藏集團有限公司)、Kaisun Energy Group Limited(凱順能源集團有限公司*)、高富集團控股有限公司(前稱中國雲錫礦業集團有限公司)及德普科技發展有限公司之獨立非執行董事。黃博士亦曾於2012年9月至2017年11月期間出任Sincere Watch (Hong Kong) Limited之獨立非執行董事；於2004年10月至2016年12月期間出任包浩斯國際(控股)有限公司之獨立非執行董事；於2009年9月至2016年9月期間出任中國三迪控股有限公司之獨立非執行董事；於2014年12月至2017年7月期間出任遠東控股國際有限公司之獨立非執行董事；於2004年9月至2015年1月期間出任匯嘉中國控股有限公司(前稱Harmony Asset Limited(亨亞有限公司*))之獨立非執行董事；於2007年4月至2014年11月期間出任江山控股有限公司之獨立非執行董事；於2010年10月至2014年9月期間出任Huajun Holdings Limited(華君控股有限公司*)(前稱New Island Development Holdings Limited(新洲發展控股有限公司*))之獨立非執行董事；於2007年6月至2014年8月期間出任光啟科學有限公司(前稱Climax International Company Limited(英發國際有限公司*))之獨立非執行董事，上述公司均於聯交所上市。

* 僅供識別

PROFILES OF DIRECTORS

董事之簡介

MR. KAN FOOK YEE*GBS, SBS (aged 81)*

Mr. Kan Fook Yee ("Mr. Kan") has been appointed as an Independent Non-executive Director since 27 September 2008. He is also the chairman of the Nomination Committee, and a member of the Audit Committee and the Remuneration Committee.

Mr. Kan has ceased his barrister practice from 1 September 2014 and is now the principal and proprietor of F.Y. Kan Property Consultancy & ADR Services Co.

Mr. Kan continues to hold his membership as a Fellow Member of the Hong Kong Institute of Surveyors and a Fellow Member of the Chartered Institute of Arbitrators.

簡福飴先生*GBS, SBS (81歲)*

簡福飴先生(「簡先生」)自2008年9月27日起獲委任為獨立非執行董事。彼亦為提名委員會主席、審核委員會及薪酬委員會成員。

簡先生自2014年9月1日起已不再為執業大律師，彼現在為簡福飴地產顧問及調解事務所之主事人及經營者。

簡先生繼續持有其香港測量師學會資深專業會員及特許仲裁司學會資深會員的資格。

PROFILES OF THE GROUP'S KEY PERSONNEL

集團要員之簡介

PROPERTY AND FACILITY MANAGEMENT BUSINESS

物業及設施管理業務



MR. WILLIAM YEUNG WAI LING

MBA, BSSc, MRICS (aged 62)

Mr. William Yeung Wai Ling ("Mr. Yeung") joined the Group as Chief Operation Officer with effect from 5 April 2016. He subsequently was re-designated

to Managing Director for the property and facility management business of the Company with effect from 29 June 2016.

Mr. Yeung is a director of certain subsidiaries of the Company and mainly responsible for strategic planning and implementation, business development, as well as monitoring and improving operational management of the Group.

Mr. Yeung has over 32 years of senior management experience in both Hong Kong and Mainland China. He held senior positions in a number of Hong Kong companies listed on the Main Board.

Mr. Yeung holds a Bachelor's degree in Social Sciences from the University of Hong Kong and a Master's degree in Business Administration from the Chinese University of Hong Kong. He is also a member of Royal Institution of Chartered Surveyors (MRICS).



MR. WILSON WONG SIU KWAN

(aged 59)

Mr. Wilson Wong Siu Kwan ("Mr. Wong") is the Deputy Managing Director (China) and a director of certain subsidiaries of the Company. He is responsible for

the overall strategic planning, business development and management operations of the real estate service business in Mainland China. He is a member of the Royal Institution of Chartered Surveyors and the Chartered Institute of Housing. Mr. Wong joined the Group in 2009 and has over 39 years of extensive experience in real estate service in Hong Kong, Taiwan and Mainland China.

楊威寧先生

MBA, BSSc, MRICS (62歲)

楊威寧先生(「楊先生」)於2016年4月5日加入本集團出任首席營運總監一職，其後楊先生於2016年6月29日調任為本公司物業及設施管理業務之董事總經理。

楊先生為本公司之若干附屬公司之董事及主要負責戰略規劃及實施、業務發展以及監察並提升本集團的營運管理。

楊先生於香港及中國內地共擁有超過32年的高級管理經驗。彼曾在多間於主板上市的香港公司擔任高級職務。

楊先生持有香港大學社會學學士學位及香港中文大學工商管理碩士學位。彼亦為英國皇家特許測量師學會會員(MRICS)。

王少軍先生

(59歲)

王少軍先生(「王先生」)為副董事總經理(中國)及本公司之若干附屬公司之董事。彼負責中國內地房地產業務之整體策略規劃、發展及管理營運。彼為英國皇家特許測量師學會會員及英國特許房屋經理學會會員。王先生於2009年加入本集團，並於香港、臺灣及中國內地之房地產服務擁有超過39年豐富經驗。

PROFILES OF THE GROUP'S KEY PERSONNEL

集團要員之簡介



MR. TERENCE NG CHUN MAN

(aged 52)

Mr. Terence Ng Chun Man ("Mr. Ng") joined the Group as Director – Ancillary Services Business. He is also a director of certain subsidiaries of the Company and responsible for the strategic planning, business development

and overall operation of the business.

Mr. Ng obtained a Bachelor degree of Social Sciences from the University of Hong Kong. He has been a director of Business Environmental Council (BEC) and is the vice chairman of the Federation of Environmental and Hygienic Services (FEHS). He is also a member of Hong Kong Professionals and Senior Executives Association (HKPASEA). Mr. Ng has over 22-year experience in top management position including ancillary services business management in listed companies.



MR. NELSON HO SIU LEUNG

MBA, FRICS, F.PFM, FHKIoD, MHKIS, Beam Pro, Green Building Faculty (aged 52)

Mr. Nelson Ho Siu Leung ("Mr. Ho") joined the Group on 11 May 2016 as a director of Synergis Facility Management Limited and is responsible for the overall

strategic planning, business development and management operation of the facility management business.

Mr. Ho graduated from the Hong Kong Polytechnic University and qualified as a Chartered Building Surveyor and Chartered Project Management Surveyor. He is also a green building expert and appointed as a member of Green Building Faculty of Hong Kong Green Building Council and a nominated director of the Beam Society Limited. He is a founding director and the past president of the Hong Kong Institute of Facility Management; and a founding director and the founding chairman of buildingSMART Hong Kong. Mr. Ho contributes much of his time to public service and is currently a member (2012–2018) of the Appeal Tribunal Panel (Building) of the Development Bureau, Task Force Member (since 2012) of the Task Force on Energy Management System (EnMS) Certification of the Hong Kong Accreditation Service, Innovation and Technology Commission and a member (2011–2017) of the Panel of Advisors on Building Management Disputes, Home Affairs Department.

伍振民先生

(52歲)

伍振民先生(「伍先生」)加入本集團出任董事 – 集團附屬公司業務一職。彼亦為本公司之若干附屬公司之董事及主要職務包括制定有關業務發展方針與策略、開拓業務及管理一切有關業務之營運。

伍先生持有香港大學社會科學學士，彼曾為商界環保協會(BEC)董事及現屆中港澳環衛總商會(FEHS)副主席。彼亦為香港專業及資深行政人員協會(HKPASEA)會員。伍先生擁有超過22年高層管理經驗，當中包括管理上市集團附屬公司業務。

何少亮先生

MBA, FRICS, F.PFM, FHKIoD, MHKIS, Beam Pro, Green Building Faculty (52歲)

何少亮先生(「何先生」)於2016年5月11日加盟本集團出任昇捷設施管理有限公司董事，負責設施管理業務的整體策略規劃、業務發展及管理營運。

何先生畢業於香港理工大學，持有特許建築測量師及特許項目管理測量師資格。彼亦為香港綠色建築議會一名綠色建築專家，並獲委任為建築環保評估協會理事。彼為香港設施管理學會的創會理事及前會長與「型建香港議會」創會理事及創會主席。何先生身兼多項公職，現為發展局上訴審裁小組(建築物)的現任成員(2012–2018年)、創新科技署轄下香港認可處的能源管理系統(EnMS)認證工作小組成員(自2012年起)及民政事務總署大廈管理糾紛顧問小組成員(2011–2017年)。

PROFILES OF THE GROUP'S KEY PERSONNEL

集團要員之簡介

Mr. Ho possesses over 29 years of experience in the project and facility management industry and had served in various renowned developers, major consulting firms and public organisations in Hong Kong. Prior to joining the Group, Mr. Ho had established recognition from the facility management industry. During his service in the Hong Kong Academy for Performing Arts, his team won the United Nations' Cultural Award in Heritage in 2008 with the restoration project of the Bethanie. During his service in the Hong Kong Science and Technology Parks Corporation, his team won the HKIFM EFMA Grand Award twice in 2012 and 2015 and the HKIS QPFMA Grand Award in 2011, and is the Winner of Sustainability Initiative of the RICS Hong Kong Property Award 2012, the Winner of Building Surveyors Award 2015 in the Maintenance and Repair Works (Client's Representative) Category. Moreover, Mr. Ho had led his team to certify for Hong Kong's first ISO 50001 Energy Management System in 2011 for the Hong Kong Science Park. Mr. Ho led the Synergis facility management team won four awards in the EFMA in 2017.

何先生於項目及設施管理行業具有逾29年的經驗，曾在香港多間著名發展商、大型顧問公司及公營機構服務。加入本集團前，何先生已於業界獲得高度認可。彼於任職香港演藝學院期間，團隊於2008年憑伯大尼修院之復修項目，勇奪聯合國文物古蹟保護獎，於任職香港科技園公司期間，其團隊兩奪香港設施管理學會卓越設施管理獎(2012及2015年)，並於2011年贏取香港測量師學會優質物業設施管理大獎，勝出皇家特許測量師學會2012香港房地產年度大獎的可持續發展策劃團隊獎，及贏取香港測量師學會建築測量師大獎2015之保養及維修工程(客戶代表)組別優勝獎。另外，何先生領導的團隊於2011年為香港科學園取得香港首個ISO 50001能源管理體系認證。何先生領導昇捷設施管理團隊於2017年取得香港設施管理學會卓越設施管理獎(2017)四個獎項。

INTERIORS AND SPECIAL PROJECTS BUSINESS

室內裝飾及特殊項目業務

MR. DAVID CHAN TAT WAI

(aged 58)

Mr. David Chan Tat Wai, ("Mr. Chan") is a director of certain subsidiaries of the Company and responsible for the strategic planning, business development and overall operation of interiors and special projects business.

陳達偉先生

(58歲)

陳達偉先生(「陳先生」)為本公司之若干附屬公司之董事，負責室內裝飾及特殊項目的整體策略規劃、業務發展及管理營運。



Mr. Chan is also responsible for the business development and project monitoring of certain alteration and addition works, renovation works, fitting-out works, façade works and special projects. He is a member of the Chartered Institute of Building and Hong Kong Institute of Construction Managers.

陳先生亦負責多個改建及加建工程、翻新工程、室內裝飾工程、幕牆及覆面工程，以及特殊項目工程之業務發展及項目監控。陳先生為英國特許建造學會會員及香港營造師學會會員。

Mr. Chan joined the Group in 2010 and has over 36 years of experience in project planning and monitoring, building construction and coordination, estimating and budgeting, cost control, procurement, renovation and fitting-out works.

陳先生於2010年加入本集團，並已積逾36年之項目規劃與監控、樓宇建造及整理、估價及預算、成本控制、採購、翻新與室內裝飾工程經驗。

PROFILES OF THE GROUP'S KEY PERSONNEL

集團要員之簡介



MR. DANNY TSUI CHI HOU

(aged 53)

Mr. Danny Tsui Chi Hou ("Mr. Tsui") is a director of certain subsidiaries of the Company and responsible for the strategic planning, business development and overall operation of interiors and special projects business.

Mr. Tsui graduated from the United Kingdom and qualified as a member of each of Royal Institution of Chartered Surveyors, Chartered Association of Building Engineers and Hong Kong Institute of Surveyors since his graduation. He is also an authorised person and registered inspector under the Hong Kong Buildings Ordinance. Mr. Tsui is currently appointed as a member (2015–2018) of the Appeal Tribunal Panel (Buildings) under the Planning and Lands of the Development Bureau of the Government Secretariat.

Mr. Tsui possesses over 30 years of experience in the building construction industry in the areas of project planning, design and construction management with exposure in Hong Kong, Macau, Mainland China and South East Asia. He has been involved in various mega sized projects including several entertainment projects in Macau, theme park and property developments in Singapore, numerous international brand hotel developments in various provinces of Mainland China, and a wide range of new build, fitting-out, and alteration and addition work projects in Hong Kong territory.



MR. YU CHI WING

(aged 50)

Mr. Yu Chi Wing ("Mr. Yu") is a director of certain subsidiaries of the Company and responsible for the strategic planning, business development and overall operation of interiors and special projects business.

徐智豪先生

(53歲)

徐智豪先生(「徐先生」)為本公司之若干附屬公司之董事及負責室內裝飾及特殊項目的整體策略規劃、業務發展及管理營運。

徐先生畢業於英國，其後取得多個建築專業學會會員資格，包括英國皇家特許測量師學會、英國皇家特許建築工程師學會及香港測量師學會等。徐先生亦是香港建築物條例轄下之註冊認可人士及註冊檢驗人員。徐先生現為政府總部發展局規劃地政科轄下之上訴審裁團(建築物)成員(2015–2018)。

徐先生擁有逾30年之建築項目策劃及項目管理之經驗，往績經驗涵蓋香港、澳門、中國內地以及東南亞等地。彼曾參與多個大型項目包括位於澳門之娛樂場、新加坡之主題公園及物業發展項目、於中國多個不同省份的國際酒店集團之發展項目以及在香港林林總總不同之新建、室內裝飾和改建及加建工程等等。

余志榮先生

(50歲)

余志榮先生(「余先生」)為本公司之若干附屬公司之董事，負責室內裝飾及特殊項目的整體策略規劃、業務發展及管理營運。

PROFILES OF THE GROUP'S KEY PERSONNEL

集團要員之簡介

Mr. Yu is also responsible for the business development, tendering, project monitoring and commercial issues of all alteration and addition works, renovation works, fitting-out works, conservation and revitalization works and special projects. Before joining the Group, Mr. Yu had worked for over 24 years in Hsin Chong Group Holdings Limited and was its senior staff member. He has over 29 years of experience in building construction and coordination, cost control, renovation and fitting-out works.

余先生亦負責所有改建及加建工程、翻新工程、室內裝飾工程、保育及活化工程，以及特殊項目工程之業務發展、投標事務、項目監控及商務事宜。加入本集團前，余先生曾於新昌集團控股有限公司服務逾24年並為其高級人員。彼擁有逾29年之樓宇建造及整理、成本控制、翻新與室內裝飾工程經驗。

MS. CECILIA CHIU MEI ZIN

CIPS(UK), MIPS(HK) (aged 59)

Ms. Cecilia Chiu Mei Zin (“Ms. Chiu”) is a director of certain subsidiaries of the Company and is responsible for overall strategic planning, business development and operation of the Group’s procurement and supply chain services.



Ms. Chiu is a member of the Chartered Institute of Procurement & Supply of the United Kingdom and a member of Institute of Purchasing & Supply of Hong Kong. Being a procurement and supply chain professional, Ms. Chiu possesses over 31 years of solid procurement and supply chain experience at top management capacity regionally and globally in several multi-national listed companies.

She was the head in charge of procurement and supply chain for different industries, majority of which are construction and hospitality industries including various sizeable construction projects in Hong Kong, Macau, Mainland China and South East Asia plus several mega integrated resort projects in Las Vegas, Macau and Singapore.

趙美仙女士

CIPS(UK), MIPS(HK) (59歲)

趙美仙女士（「趙女士」）為本公司之若干附屬公司之董事，負責本集團採購及供應鏈服務的整體策略規劃、業務發展及營運。

趙女士為英國皇家採購及供應學會會員及香港採購供應專業協會會員。趙女士為採購及供應鏈的專業人員，在採購及供應鏈部門擁有逾31年豐富高層管理經驗，先後任職於多家跨國上市公司亞洲及全球範圍的業務。

彼曾擔任多種不同行業的採購及供應鏈業務主管，大部分屬建造業及綜合渡假酒店業，包括多個香港、澳門及東南亞大型建築工程項目，以及位於拉斯維加斯、澳門及新加坡的若干大型綜合渡假村項目。

PROFILES OF THE GROUP'S KEY PERSONNEL

集團要員之簡介



MR. QUENTIN NG CHUN TUN

BA (Int) (aged 50)

Mr. Quentin Ng Chun Tun ("Mr. Ng") is a director of P1 Design Limited, a subsidiary of the Company, and responsible for the operation of interior design consultancy and fitting-out design project management.

Graduated in interior design from the Hong Kong Polytechnic University, Mr. Ng's professional career spans over 27 years which cover diversified project scope ranging from commercial office, shopping mall project to prestigious hospitality interiors in Hong Kong, Mainland China and South East Asia, such as Park Hyatt Tokyo in Japan, and Westgate Mall Shopping Plaza in Shanghai.

Mr. Ng was formerly an entrepreneur and he possesses insight into the full spectrum of the design process, organisation skills and market sense. Mr. Ng pays attention to every detail in his design project and is passionate in pursuit of modern design excellence.

FINANCIAL SERVICE



MS. MANDY HUI SUK MAN

MBA, FCCA, FCPA (aged 42)

Ms. Mandy Hui Suk Man ("Ms. Hui") is the Financial Director of the Group and is also a director of certain subsidiaries of the Company. She is a Certified Public Accountant in Hong Kong.

Ms. Hui is responsible for overseeing the finance and accounting operations, budgetary control, group financial control and treasury management. She also assists the Board for merger and acquisition projects. She has around 20 years of experience in corporate accounting, financing and taxation. Ms. Hui joined the Group in 2006 and prior to that, she got extensive experience in both audit and accounting. She is also responsible for company secretarial practice of the Group and is the primary corporate contact person of company secretarial function for the Company. Ms. Hui holds a Master's Degree of Business Administration from Hong Kong Baptist University. She is a fellow member of The Association of Chartered Certified Accountants and Hong Kong Institute of Certified Public Accountant.

吳俊騰先生

BA (Int) (50歲)

吳俊騰先生(「吳先生」)為柏壹設計有限公司(本公司之附屬公司)之董事及負責室內設計顧問及裝修設計項目管理之營運。

畢業於香港理工大學室內設計學系，吳先生具有逾27年的專業經驗，涵蓋不同項目範疇由辦公大樓、大型商場室內設計至高端酒店等；作品遍佈香港、中國內地及東南亞，如日本東京柏悅酒店及上海梅龍鎮廣場等。

吳先生曾為業務創業者，彼洞悉全方位的設計流程，並具備管理技能及市場觸角。吳先生的設計注重細節，並堅持著一貫現代優質的設計理念。

財務服務

許淑敏女士

MBA, FCCA, FCPA (42歲)

許淑敏女士(「許女士」)為本集團財務董事，亦為本公司多間附屬公司的董事。彼為香港註冊會計師。

許女士負責監督財務及會計運作、預算控制、集團財務監控及庫務管理，亦協助董事會的併購項目。彼於企業會計、融資及稅務積累約20年的經驗。許女士在2006年加盟本集團，在此之前彼於核數及會計擁有深厚資歷。彼亦負責本集團公司秘書實務工作，為本公司公司秘書職能的主要企業聯絡人士。許女士擁有香港浸會大學工商管理碩士學位，並為特許公認會計師公會及香港會計師公會的資深會員。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company recognises the interests of and its responsibility to one of its most important stakeholders — the shareholders. Synergis is committed to upholding high standards of corporate governance as a means of protecting and enhancing shareholder value and ensuring the integrity of operations of the Group. Synergis's corporate governance standards are built on the principles of independence, accountability, transparency and fairness with an appropriate system of checks and balances.

CORPORATE GOVERNANCE CODE

The Company has applied the principles of the code provisions and certain recommended best practices set out in the Corporate Governance Code and Corporate Governance Report (the "CG Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on Stock Exchange.

Throughout the year, the Company has fully complied with all code provisions of the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules (the "Model Code") as its own code of conduct for regulating securities transactions by the Directors. Having been made specific enquiry by the Company, all the Directors confirmed that they have complied with the required standard set out in the Model Code throughout the year ended 31 December 2017.

The Board has further adopted the Model Code as the written guidelines for regulating securities transactions by the senior management (whose names appear in the annual report of the Company) and certain employees (collectively, the "Relevant Employees") of the Group. The Board believes that the Relevant Employees may, by virtue of their positions, likely be in possession of unpublished inside information of the Group.

本公司深明股東是最重要之持份者之一，並對股東承擔責任。昇捷致力維持高度企業管治水平，以保障及提升股東價值，同時確保本集團誠實公正運作。昇捷的企業管治標準建基於獨立性、問責性、透明度及公平性原則，並制訂完善檢討及平衡制度。

企業管治守則

本公司應用聯交所證券上市規則（「上市規則」）附錄 14 所載之《企業管治守則》及《企業管治報告》（「企業管治守則」）所載各項守則條文之原則及若干建議最佳常規。

於本年內，本公司已全面遵守企業管治守則之所有守則條文。

董事進行證券交易之標準守則

董事會已採納上市規則附錄 10 所載之《上市發行人董事進行證券交易的標準守則》（「標準守則」）作為其規管本公司董事進行證券交易之操守準則。經本公司作出特定查詢後，所有董事均確認彼等於截至 2017 年 12 月 31 日止年度內一直遵守標準守則所規定之標準。

董事會進一步採納標準守則作為規管本集團高層管理人員（彼等名稱出現於本公司年報）及若干僱員（統稱「有關僱員」）進行證券交易之書面指引。董事會相信有關僱員可憑藉本身職位取得本集團未公開之內幕消息。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS

Composition

During the year and up to the date of this annual report, the Board comprised six Directors, including two Executive Directors and four Independent Non-executive Directors.

The names of the Directors are set out below:

Executive Directors

- Mr. Kingston Chu Chun Ho (*Chairman*)
(appointed with effect from 9 March 2017)
- Mr. Terence Leung Siu Cheong
(*Deputy Chairman and Managing Director*)
(appointed as Deputy Chairman with effect from 9 March 2017)
- Mr. Joseph Choi Kin Hung (*former Chairman*)
(resigned with effect from 9 March 2017)
- Mr. Lui Chun Pong
(resigned with effect from 9 March 2017)

Independent Non-executive Directors

- Mr. Ronald Lau Man Tak
(appointed with effect from 28 September 2017)
- Mr. Eric Lee Hon Man
(appointed with effect from 28 September 2017)
- Dr. Edward Wong Yun Kuen
(appointed with effect from 1 December 2017)
- Mr. Kan Fook Yee
Mr. Stephen Ip Shu Kwan
(resigned with effect from 1 December 2017)
- Mr. Wong Tsan Kwong
(resigned with effect from 1 January 2018)
- Mr. David Yu Hon To
(resigned with effect from 1 January 2018)

An updated list of directors identifying their roles and functions is available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.synergis.com.hk).

Coming from diverse businesses and professional backgrounds, the Board members possess a balance of skills and expertise appropriate for the requirements of the business of the Group and they are collectively responsible for promoting the success of the Company by directing and supervising the Company's affairs. Save as disclosed in the Profiles of Directors set out on pages 25 to 30 of this annual report, there is no relationship among the Board members.

董事會

組成

本年內及截至本年報日期，董事會由6名董事組成，包括2名執行董事及4名獨立非執行董事。

各董事姓名載列如下：

執行董事

- 朱俊浩先生 (*主席*)
(自2017年3月9日起獲委任)
- 梁兆昌先生
(*副主席兼董事總經理*)
(自2017年3月9日起獲委任為副主席)
- 蔡健鴻工程師 (*前主席*)
(自2017年3月9日起辭任)
- 呂振邦先生
(自2017年3月9日起辭任)

獨立非執行董事

- 劉文德先生
(自2017年9月28日起獲委任)
- 李翰文先生
(自2017年9月28日起獲委任)
- 黃潤權博士
(自2017年12月1日起獲委任)
- 簡福飴先生
葉樹堃先生
(自2017年12月1日起辭任)
- 黃燦光先生
(自2018年1月1日起辭任)
- 俞漢度先生
(自2018年1月1日起辭任)

董事名單更新版本可於聯交所網站(www.hkexnews.hk)及本公司網站(www.synergis.com.hk)供查閱，當中會列明各董事之職能及責任。

董事會成員來自不同行業及專業背景，具備切合本集團業務需要的全面技能及專業知識。彼等共同負責領導及監督本公司的事務，以協助本公司成功發展。除於本年報第25頁至第30頁所載董事之簡介所披露者外，董事會成員之間並無任何關係。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company currently has four Independent Non-executive Directors representing more than one-third of the total number of Board members and is in compliance with the requirement under Rule 3.10 of the Listing Rules. The views of the Independent Non-executive Directors carry weight in the Board's decisions, and their participation helps the Board exercise judgment, make decisions and act objectively in the interests of the Company and its shareholders as a whole.

Each of the Independent Non-executive Directors has given to the Company an annual confirmation of independence in compliance with Rule 3.13 of the Listing Rules. The Company considers that all the Independent Non-executive Directors are and have remained independent. Mr. Ronald Lau Man Tak, chairman of the Audit Committee, has the appropriate accounting and financial management expertise required under Rule 3.10(2) of the Listing Rules.

The Board members, including the names of all the Independent Non-executive Directors, are expressly identified in all corporate communications which disclose the names of the Directors of the Company.

Functions

The Board has an ultimate oversight of the Group's activities. Its primary functions are to set and direct the Company's strategy and to monitor and measure the management's performance. It is accountable for the overall strategic development of the Group with the objective to enhance shareholder value. Material matters are reserved for the Board's considerations or decisions which include, among other things, overall strategy of the Group, business plans, annual budgets, significant capital expenditure, interim and annual results and reports, dividend policy and payments, material acquisitions, disposals or investment proposals, directors' appointments, re-appointments or removal, and other material transactions.

The Board has delegated certain of its responsibilities to the Audit Committee, Remuneration Committee, Nomination Committee, Special Committee and Executive Committee. It has also delegated the day-to-day operations of the Group's business to the senior management. Delegation of duties to the Board committees and daily business operations to the management are discussed on pages 46 to 54 of this report.

本公司現時有4名獨立非執行董事，佔董事會成員總人數三分之一以上，符合上市規則第3.10條之規定。獨立非執行董事之意見於董事會決策中極具影響力，彼等幫助董事會行使判斷、作出決定及採取符合本公司與其股東整體利益之客觀行動。

各位獨立非執行董事已遵照上市規則第3.13條之規定就彼等之獨立性向本公司提交年度確認函。本公司認為所有獨立非執行董事現時及一直保持獨立。審核委員會主席劉文德先生具備上市規則第3.10(2)條所規定的合適會計及財務管理專長。

董事會成員(包括各獨立非執行董事的姓名)均明確地載列於所有披露本公司董事姓名的企業通訊中。

職能

董事會為本集團業務之最高監督組織，其主要職能為制定本公司之策略並提供指引，亦同時監察及評估管理層之表現，並負責本集團之整體策略發展，以致力提升股東價值為目標。所有重大事宜均留待董事會考慮或決定，有關事宜包括(其中包括)本集團整體策略、業務計劃、年度預算、重大資本開支、中期與年度業績及報告、股息政策及分派、重大收購、出售或投資建議、委任、重新委任或罷免董事、及其他重大交易。

董事會已將其若干責任轉授予審核委員會、薪酬委員會、提名委員會、特別委員會以及執行委員會。董事會亦已授權高層管理人員處理本集團業務之日常營運。有關轉授職責予董事會轄下的委員會及授權管理層處理日常營運之詳情，將於本報告第46頁至第54頁討論。

CORPORATE GOVERNANCE REPORT

企業管治報告

Board Chairman and Managing Director

Code provision A.2.1 of the CG Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. Ir. Joseph Choi Kin Hung was the Chairman of the Board until 8 March 2017, and Mr. Kingston Chu Chun Ho has been appointed as the Chairman of the Board with effect from 9 March 2017. Mr. Terence Leung Siu Cheong and Mr. William Yeung Wai Ling have been appointed as Managing Directors of ISP and PFM business of the Company respectively.

At all times, the chairmen and chief executives are not related to each other and there are clear divisions among their responsibilities with a view to achieving a balance of power and authority. The Chairman of the Board provides leadership to the Board in terms of formulating policies and strategies, and discharges those duties set out in code provision A.2 of the CG Code. The Managing Directors have the overall responsibility of implementing the decisions, policies and strategies approved by the Board, and overseeing the Group's business and operations. The duties of the Chairman and the Managing Directors are set out in their respective service agreements entered into with the Company.

With the support from the Executive Directors and the Company Secretary, the Chairman of the Board ensures that all Directors are properly briefed on issues arising from Board meetings and receive adequate, complete and reliable information in a timely manner.

Appointment, Re-election and Removal of Directors

The Board has assumed the responsibility to consider the appointment, re-election and removal of the Directors. The Board set up a Nomination Committee in 2011 to recommend the appointment, re-election and removal of the Directors.

All the Independent Non-executive Directors have entered into letters of appointment with the Company for a term of three years subject to the requirements of the Listing Rules and the bye-laws of the Company ("Bye-laws"), including the requirement of retirement by rotation and re-election or standing for re-election at AGMs of the Company at least once every three years. The term is renewable upon expiry.

董事會主席及董事總經理

企業管治守則之守則條文第A.2.1條訂明，主席及行政總裁之職能必須分開，且不可由同一人兼任。主席及行政總裁之責任分工應以書面形式清楚列明。蔡健鴻工程師擔任董事會主席直至2017年3月8日，而朱俊浩先生自2017年3月9日起獲委任為董事會主席。梁兆昌先生及楊威寧先生分別獲委任為本公司室內裝飾及特殊項目業務董事總經理及物業及設施管理業務董事總經理。

主席及行政總裁之間一直並無任何關係及彼等之責任有明確區分，以確保權力及職權的平衡。董事會主席領導董事會制訂政策及策略，以及履行企業管治守則守則條文第A.2條所載的職責。董事總經理負責實行董事會通過之所有決定、政策及策略，並監察本集團之業務及營運。主席及董事總經理的職責分別載於彼等各自與本公司訂立之服務協議內。

在執行董事及公司秘書的協助下，董事會主席確保在董事會會議上所有董事均適當知悉當前的事項，並適時收到充份且完備及可靠的資料。

委任、重選及罷免董事

董事會負責考慮委任、重選及罷免董事。董事會於2011年設立提名委員會，就董事之委任、重選及罷免作出建議。

所有獨立非執行董事均與本公司簽訂任期為3年之委任函，惟須遵守上市規則及本公司細則（「細則」）之規定，包括最少每3年一次於本公司股東周年大會上輪席告退並膺選連任或尋求重選連任之規定。於任期屆滿後可予續期。

CORPORATE GOVERNANCE REPORT

企業管治報告

Any new Director to be appointed by the Company shall be provided with information on duties and obligations of director, relevant regulatory requirements and the Group's business affairs. All Directors appointed to fill a casual vacancy on the Board or as an addition to the existing Board shall hold office only until the next following general meeting or next following AGM of the Company respectively and shall then be eligible for re-election at the meeting according to the Bye-laws of the Company.

Board Meetings

Regular Board meetings are held at least four times a year at approximately quarterly intervals. Tentative dates of regular Board meetings for next year are scheduled approaching the end of each calendar year in order to facilitate the Directors to plan for attendance of the meetings. Additional Board meetings will be convened, as and when required, to deal with ad hoc issues. Any Director who is not able to present physically may participate at any Board meeting through electronic means of communication, such as conference telephone or other similar communication equipment, in accordance with the Bye-laws.

Board Proceedings

Notice convening each regular Board meeting is sent at least 14 days in advance, and reasonable notice is given for other Board meetings. The Company Secretary assists the Chairman of the Board to prepare the meeting notice and agenda. Each Director may include any item in the agenda. The agenda, accompanied by meeting papers with sufficient and reliable information, are sent to each Director not less than three days before the date of a Board meeting to enable the Directors to make informed decisions on the matters to be discussed, except where a Board meeting is convened on a very urgent basis to consider any urgent ad hoc matter.

The Company Secretary is responsible for taking minutes of the Board meetings, drafts and final versions of which will be circulated to Directors for comment and records, respectively, and in both cases, within a reasonable time after each meeting. Minutes recorded in sufficient detail the matters considered by the Board at the meeting and decisions reached, including any concerns raised by the Directors or dissenting view (if any) expressed. Minutes of Board meetings are kept by the Company Secretary and open for inspection to any Director on request.

任何獲本公司委任之新董事，將獲提供有關董事職責及責任、相關監管規則及本集團業務之資料。所有為填補董事會臨時空缺或增加現有董事名額而獲委任之董事任期僅分別至本公司下屆股東大會或下屆股東周年大會為止，並有資格根據本公司細則於該股東大會上重選。

董事會會議

董事會定期會議每年最少舉行4次，約每季一次。翌年董事會定期會議之暫定舉行日期將於每年近年底時編訂，以便董事安排出席有關會議。董事會亦將於有需要時召開額外的董事會會議，以處理突發事務。根據細則之規定，任何未能親身出席董事會會議之董事，可透過電話會議或其他類似通訊設備等電子通訊方式參與董事會會議。

董事會程序

董事會定期會議之通告於會議召開前最少14日發出，而董事會其他會議之通告則於合理時間內發出。公司秘書負責協助董事會主席擬備會議通告及議程。每位董事皆有機會將任何事項納入議程之內。在舉行董事會會議前最少3日，送出會議議程及其他具備充足可靠資料之會議文件予每位董事（除非董事會會議於緊急情況下召開以考慮任何緊急突發事項），使董事能夠就提出的事項作出知情決定。

公司秘書須負責撰寫董事會會議記錄，其初稿及最終稿須在每次董事會會議結束後的合理時間內發送予董事評議，而最終稿則予以存檔。會議記錄須對董事會會議上各董事所考慮的事項及達致的決定作出足夠詳細之記錄，其中包括董事提出之任何關注事項或表達之異議（如有）。董事會會議記錄由公司秘書備存，並按要求公開予任何董事查閱。

CORPORATE GOVERNANCE REPORT

企業管治報告

All Directors have access to the Company Secretary who is responsible for ensuring that Board procedures are complied with and all applicable rules and regulations are followed. Directors have full and timely access to all relevant information, including reports from the Board committees and reports from the management. They are also provided with updates on the latest developments of the Listing Rules and other relevant legal and regulatory changes and matters of relevance to the Directors in discharging their duties as and when appropriate.

To assist the Directors to discharge their duties, the Board has adopted written procedures in case any Director wishes to seek independent professional advice at the Company's expenses.

Board approval is also given by circulation of resolution in writing pursuant to the Bye-laws on urgent matter which requires decision in a tight timeframe and hence convening a Board meeting is difficult or not practicable. In the case where a resolution in writing is circulated, sufficient information and explanatory materials will also be provided to the Directors at the same time.

If a substantial shareholder or a Director has a conflict of interest in a matter (including material transaction with connected persons) which the Board determines to be material, the Board will hold a meeting (as long as time is allowed to convene a Board meeting) to consider the relevant matter first before any subsequent approval is given by way of circulation of resolution in writing.

Appropriate insurance cover on Directors' and officers' liabilities has been arranged to protect the Directors and officers of the Group.

所有董事均有聯絡公司秘書之途徑，而公司秘書有責任確保董事會程序獲依循及所有適用規則及規例均獲遵守。董事均可適時全面取得所有相關資料，包括董事會轄下的委員會之報告及管理層之報告。彼等亦獲適時提供有關上市規則之最新發佈及其他有關法例及監管規例變動之最新信息，以及與董事履行彼等職責有關之事宜。

為協助董事履行彼等之職責，董事會已採納書面程序，讓任何董事可尋求獨立專業意見，費用則由本公司支付。

如有緊急事項須於緊迫時限內作出決定，並因此難以或不能召開董事會會議，則根據細則，董事會可透過傳閱書面決議方式批准有關事項。在傳閱書面決議時，充分之資料及說明材料亦將同時提供予董事。

若有主要股東或董事在某一事項(包括與關連人士的重大交易)中存有董事會認為重大的利益衝突時，董事會將首先舉行會議(只要在時間上容許召開董事會會議)以考慮有關事項，隨後才會透過以傳閱書面決議方式給予任何批准。

本集團已購買適當之董事及高級職員責任保險，為其董事及高級職員提供保障。

CORPORATE GOVERNANCE REPORT

企業管治報告

Attendances of Meetings

Seven Board meetings, three Audit Committee Meetings, three Remuneration Committee meetings, one Nomination Committee meeting and one general meeting were held during the year. Attendances of these meetings by Directors are set out below:

會議出席情況

本年內，曾經舉行7次董事會會議、3次審核委員會會議、3次薪酬委員會會議、1次提名委員會會議及1次股東大會。下表載列董事出席該等會議之情況：

Name of Directors	董事姓名	Meetings attended/Eligible to attend					
		Board	Audit Committee	Remuneration Committee	Nomination Committee	Special Committee ¹⁰	General Meeting
		董事會	審核委員會	薪酬委員會	提名委員會	特別委員會 ¹⁰	股東大會
Chairman	主席						
Kingston Chu Chun Ho ¹	朱俊浩 ¹	6/6	n/a	3/3	1/1	n/a	1/1
Joseph Choi Kin Hung ⁵	蔡健鴻 ⁵	1/1	n/a	n/a	n/a	n/a	n/a
Executive Directors	執行董事						
Terence Leung Siu Cheong	梁兆昌	7/7	n/a	n/a	n/a	n/a	1/1
Lui Chun Pong ⁶	呂振邦 ⁶	1/1	n/a	n/a	n/a	n/a	n/a
Independent Non-executive Directors	獨立非執行董事						
Ronald Lau Man Tak ²	劉文德 ²	1/1	n/a	1/1	n/a	n/a	n/a
Eric Lee Hon Man ³	李翰文 ³	1/1	n/a	1/1	n/a	n/a	n/a
Edward Wong Yun Kuen ⁴	黃潤權 ⁴	1/1	n/a	1/1	n/a	n/a	n/a
Kan Fook Yee	簡福飴	7/7	3/3	3/3	1/1	0/0	1/1
Stephen Ip Shu Kwan ⁷	葉澍堃 ⁷	6/6	n/a	2/2	1/1	0/0	1/1
Wong Tsan Kwong ⁸	黃燦光 ⁸	7/7	3/3	n/a	n/a	0/0	1/1
David Yu Hon To ⁹	俞漢度 ⁹	7/7	3/3	n/a	n/a	0/0	1/1

Notes:

- 1 Mr. Kingston Chu Chun Ho has been appointed as an Executive Director and the Chairman with effect from 9 March 2017.
 - 2 Mr. Ronald Lau Man Tak has been appointed as an Independent Non-executive Director with effect from 28 September 2017.
 - 3 Mr. Eric Lee Hon Man has been appointed as an Independent Non-executive Director with effect from 28 September 2017.
 - 4 Dr. Edward Wong Yun Kuen has been appointed as an Independent Non-executive Director with effect from 1 December 2017.
 - 5 Mr. Joseph Choi Kin Hung resigned as an Executive Director and the Chairman with effect from 9 March 2017.
 - 6 Mr. Lui Chun Pong resigned as an Executive Director with effect from 9 March 2017.
 - 7 Mr. Stephen Ip Shu Kwan resigned as an Independent Non-executive Director with effect from 1 December 2017.
 - 8 Mr. Wong Tsan Kwong resigned as an Independent Non-executive Director with effect from 1 January 2018.
 - 9 Mr. David Yu Hon To resigned as an Independent Non-executive Director with effect from 1 January 2018.
 - 10 To streamline the structure of the Board Committees, the Company ceased to have the Special Committee with effect from 28 September 2017.
- n/a: not applicable

附註：

- 1 自2017年3月9日起，朱俊浩先生已獲委任為執行董事兼主席。
 - 2 自2017年9月28日起，劉文德先生已獲委任為獨立非執行董事。
 - 3 自2017年9月28日起，李翰文先生已獲委任為獨立非執行董事。
 - 4 自2017年12月1日起，黃潤權博士已獲委任為獨立非執行董事。
 - 5 自2017年3月9日起，蔡健鴻工程師已辭任執行董事兼主席。
 - 6 自2017年3月9日起，呂振邦先生已辭任執行董事。
 - 7 自2017年12月1日起，葉澍堃先生已辭任獨立非執行董事。
 - 8 自2018年1月1日起，黃燦光先生已辭任獨立非執行董事。
 - 9 自2018年1月1日起，俞漢度先生已辭任獨立非執行董事。
 - 10 為精簡董事委員會架構，自2017年9月28日起，本公司不再設立特別委員會。
- n/a: 不適用

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During the year under review, the Chairman of the Board also held a meeting with the Independent Non-executive Directors without the Executive Directors present.

Code provision A.6.7 of the CG Code provides that Independent Non-executive Directors and other Non-executive Directors should attend general meetings and develop a balanced understanding of the views of shareholders. All Independent Non-executive Directors attended the AGM of the Company held on 19 May 2017.

Directors' Training and Professional Development

Every Director keeps abreast of responsibilities as a Director of the Company and of the conduct, business activities and development of the Company. The Company provides all Board members with monthly updates on the Group's performance and financial position.

Directors are aware of the requirement under the code provision A.6.5 of CG Code regarding continuous professional development. During the year, the Company provided reading materials to the Directors for self-study. In addition, the Directors have attended external courses, conference or luncheons organised by various organisations.

於回顧年度，董事會主席亦與獨立非執行董事在沒有執行董事出席下召開會議。

企業管治守則之守則條文第A.6.7條訂明，獨立非執行董事及其他非執行董事應出席股東大會，並對股東的意見有公正的了解。全體獨立非執行董事均已出席本公司於2017年5月19日舉行之股東周年大會。

董事培訓及專業發展

每位董事均會時常更新有關本公司董事責任，以及本公司的經營、業務活動及動向的資料。本公司每月向所有董事會成員匯報本集團業績及財務狀況最新資料。

董事均知曉企業管治守則下守則條文第A.6.5條有關持續專業發展的規定。本年內，本公司曾為董事提供閱讀資料供自我進修。此外，董事已參加由不同機構舉辦的外界課程、會議或午餐會。

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Directors also reviewed the monthly business and financial updates and other reading materials provided to them concerning latest developments in corporate governance practices, and relevant legal and regulatory developments. A record of the Directors' participation in various continuous professional development programme is kept by the company secretarial department. A summary of training received by the Directors for the year ended 31 December 2017 is according to the records provided by the Directors as follows:

董事亦審閱彼等獲提供之每月業務及財務的更新資料以及其他有關企業管治常規及相關法律及法規演進最新發展的閱覽資料。1份董事參與不同持續專業發展項目的記錄，由公司秘書部保存。董事於截至2017年12月31日止年度所接受培訓的概要(根據董事所提供的記錄編製)如下：

Name of Directors	董事姓名	Reading newspapers, journals and updates relating to the economy, general business, accounting, laws, rules and regulations, etc 閱讀關於經濟、一般商業、會計、法律、規則及法規等方面之報章、期刊及最新資訊	
		Giving talks or attending seminars/conferences/forums 舉行講座或出席研討會/會議/論壇	
Kingston Chu Chun Ho ¹	朱俊浩 ¹	√	√
Terence Leung Siu Cheong	梁兆昌	√	√
Ronald Lau Man Tak ²	劉文德 ²	√	√
Eric Lee Hon Man ³	李翰文 ³	√	√
Edward Wong Yun Kuen ⁴	黃潤權 ⁴	√	√
Kan Fook Yee	簡福飴	√	√
Joseph Choi Kin Hung ⁵	蔡健鴻 ⁵	√	√
Lui Chun Pong ⁶	呂振邦 ⁶	√	√
Stephen Ip Shu Kwan ⁷	葉澍堃 ⁷	√	√
Wong Tsan Kwong ⁸	黃燦光 ⁸	√	√
David Yu Hon To ⁹	俞漢度 ⁹	√	√

Notes:

- 1 Mr. Kingston Chu Chun Ho has been appointed as an Executive Director and the Chairman with effect from 9 March 2017.
- 2 Mr. Ronald Lau Man Tak has been appointed as an Independent Non-executive Director with effect from 28 September 2017.
- 3 Mr. Eric Lee Hon Man has been appointed as an Independent Non-executive Director with effect from 28 September 2017.
- 4 Dr. Edward Wong Yun Kuen has been appointed as an Independent Non-executive Director with effect from 1 December 2017.
- 5 Ir. Joseph Choi Kin Hung resigned as an Executive Director and the Chairman with effect from 9 March 2017.
- 6 Mr. Lui Chun Pong resigned as an Executive Director with effect from 9 March 2017.
- 7 Mr. Stephen Ip Shu Kwan resigned as an Independent Non-executive Director with effect from 1 December 2017.
- 8 Mr. Wong Tsan Kwong resigned as an Independent Non-executive Director with effect from 1 January 2018.
- 9 Mr. David Yu Hon To resigned as an Independent Non-executive Director with effect from 1 January 2018.

附註：

- 1 自2017年3月9日起，朱俊浩先生已獲委任為執行董事兼主席。
- 2 自2017年9月28日起，劉文德先生已獲委任為獨立非執行董事。
- 3 自2017年9月28日起，李翰文先生已獲委任為獨立非執行董事。
- 4 自2017年12月1日起，黃潤權博士已獲委任為獨立非執行董事。
- 5 自2017年3月9日起，蔡健鴻工程師已辭任執行董事兼主席。
- 6 自2017年3月9日起，呂振邦先生已辭任執行董事。
- 7 自2017年12月1日起，葉澍堃先生已辭任獨立非執行董事。
- 8 自2018年1月1日起，黃燦光先生已辭任獨立非執行董事。
- 9 自2018年1月1日起，俞漢度先生已辭任獨立非執行董事。

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BOARD COMMITTEES

Each of the Board committees, namely, the Audit Committee, the Remuneration Committee, the Nomination Committee and the Executive Committee, is to assist in the execution of the Board's responsibilities and to oversee particular aspect of the Group's affairs. Each Board committee is provided with sufficient resources to discharge its duties properly, and holds meetings in accordance with the Bye-laws, its specific written terms of reference and, where applicable, the proceedings of Board meeting.

Audit Committee

The Audit Committee currently comprises four Independent Non-executive Directors, and Mr. Ronald Lau Man Tak acts as the chairman of the Audit Committee. The members of Audit Committee during the year under review were:

- Mr. Ronald Lau Man Tak (*Chairman*)
(appointed with effect from 1 January 2018)
- Mr. Eric Lee Hon Man
(appointed with effect from 1 December 2017)
- Dr. Edward Wong Yun Kuen
(appointed with effect from 1 December 2017)
- Mr. Kan Fook Yee
- Mr. David Yu Hon To (*former Chairman*)
(resigned with effect from 1 January 2018)
- Mr. Wong Tsan Kwong
(resigned with effect from 1 January 2018)

None of the Audit Committee members is or has been a former partner of the Company's existing external auditors for the past one year.

The Audit Committee is primarily responsible for conducting an independent and objective review of the financial reporting process, internal controls and audit function with emphasis on:

- (i) appraise the quality of the audit effort of the Company's internal and external auditors;
- (ii) serve as an independent and objective party to review the financial information presented by management to shareholders, regulators and the general public;
- (iii) ascertain the adequacy of the Company's systems of risk management and internal control which management and the Board have established; and

董事委員會

各董事委員會(即審核委員會、薪酬委員會、提名委員會及執行委員會)均為協助執行董事會之責任，並專責監督本集團事務之某一特定範疇。每個董事委員會均獲提供充足資源，可適當地履行其職責，並根據細則、其特定書面職權範圍及董事會議事程序(如適用)舉行會議。

審核委員會

審核委員會目前由四名獨立非執行董事組成，劉文德先生擔任審核委員會主席。回顧年度內，審核委員會的成員如下：

- 劉文德先生(主席)
(自2018年1月1日起獲委任)
- 李翰文先生
(自2017年12月1日起獲委任)
- 黃潤權博士
(自2017年12月1日起獲委任)
- 簡福飴先生
- 俞漢度先生(前主席)
(自2018年1月1日起辭任)
- 黃燦光先生
(自2018年1月1日起辭任)

概無審核委員會成員現時或於過去一年曾經為本公司現任外聘核數師之前合夥人。

審核委員會主要負責就財務申報程序、內部監控及審核職能進行獨立及客觀之檢討，並專注於以下事項：

- (i) 評估本公司內部及外聘核數師之審核工作質素；
- (ii) 以獨立及客觀身份審核管理層向股東、監管機構及公眾呈報之財務資料；
- (iii) 釐定管理層及董事會設立的本公司風險管理及內部監控系統是否充分；及

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(iv) serve as useful channel of communication between the Board and the external and internal auditors on matters relating to and arising out of the external and internal audit.

The authority and duties of the Audit Committee are set out in its specific written terms of reference. Full text of the terms of reference of the Audit Committee is available on the websites of the Company and the Stock Exchange.

The principal duties of the Audit Committee include, among other things, recommending to the Board on the appointment, re-appointment or removal of the Company's external auditor and on its remuneration; reviewing the Company's interim and annual financial statements and other financial reports; and reviewing the Company's financial reporting system, internal control procedures (including monitoring the effectiveness of the internal audit function) and risk management systems. The Audit Committee has explicit authority to investigate any activity within its duties and responsibilities and the authority to obtain outside legal or other independent professional advice if it considers necessary.

The Audit Committee meets at least twice a year. During the year, three Audit Committee meetings were held. Attendances of the meetings have been disclosed on page 43 of this report.

During the year, the Audit Committee members reviewed (i) the audit strategy memorandum from the external auditor; (ii) with the participation of the internal and external auditors and the management, the risk management and internal control systems of the Group; and (iii) with the participation of the internal and external auditors and the management, the interim and annual results and the related financial statements of the Company with a view to ensuring that these financial statements were prepared in accordance with the accounting principles and standards generally accepted in Hong Kong. The Audit Committee also considered the reports from the external auditor on the scope and findings of its independent review of the interim financial statements and audit of the annual financial statements.

There is no disagreement between the Board and the Audit Committee's view on re-appointment of external auditor, and they both have agreed to recommend the re-appointment of PricewaterhouseCoopers as the Company's external auditor for the ensuing year at the 2018 AGM of the Company.

(iv) 就關於外部及內部審核及由其產生的事項，擔任董事會與外部及內部核數師之間有效的溝通渠道。

審核委員會之權限及職責載於其特定書面職權範圍內。審核委員會之職權範圍全文已登載於本公司及聯交所網站內。

審核委員會之主要職責包括(當中包括)就委任、重新委任或罷免本公司外聘核數師及就其酬金向董事會作出建議；審閱本公司中期及年度財務報表以及其他財務報告；並檢討本公司之財務申報制度、內部監控程序(包括監管內部審核職能之成效)及風險管理制度。審核委員會具清晰權限，可在其職責及責任範圍內調查任何活動，並有權於其認為必需時取得外聘法律或其他獨立專業意見。

審核委員會每年至少舉行兩次會議。本年內，審核委員會舉行了3次會議。出席會議之情況已於本報告第43頁披露。

本年內，審核委員會成員已(i)審閱外聘核數師之審核策略備忘錄；(ii)連同內部及外聘核數師與管理層，審閱本集團風險管理及內部監控制度；及(iii)連同內部及外聘核數師與管理層，審閱本公司中期及年度業績以及相關財務報表，以確保該等財務報表根據香港公認會計原則及準則編製。審核委員會亦已省覽外聘核數師就其對中期與年度財務報表進行獨立審閱和審核之範圍及就所得結果作出之報告。

董事會及審核委員會就重新委任外聘核數師上並無分歧意見，而彼等均已同意於本公司即將舉行之2018年股東周年大會上，建議重新委任羅兵咸永道會計師事務所為本公司來年之外聘核數師。

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Remuneration Committee

The Remuneration Committee currently comprises five Directors, a majority of whom are Independent Non-executive Directors, and Dr. Edward Wong Yun Kuen acts as the chairman of the Remuneration Committee. The members of the Remuneration Committee during the year under review were:

- Dr. Edward Wong Yun Kuen (*Chairman*)
(appointed with effect from 1 December 2017)
- Mr. Kingston Chu Chun Ho
(appointed with effect from 9 March 2017)
- Mr. Ronald Lau Man Tak
(appointed with effect from 1 December 2017)
- Mr. Eric Lee Hon Man
(appointed with effect from 1 December 2017)
- Mr. Kan Fook Yee
Mr. Stephen Ip Shu Kwan (*former Chairman*)
(resigned with effect from 1 December 2017)
- Mr. Joseph Choi Kin Hung
(resigned with effect from 9 March 2017)

The authority and duties of the Remuneration Committee are set out in its specific written terms of reference. Full text of the terms of reference of the Remuneration Committee is available on the websites of the Company and the Stock Exchange.

The Remuneration Committee is primarily responsible for reviewing the remuneration policy of the Group and the remuneration packages of the Directors and senior management of the Company. Its duties are summarised below:

- (i) make recommendations to the Board on the Company's policy and structure for all Directors and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (ii) review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (iii) make recommendations to the Board on the remuneration packages of individual Executive Directors and senior management;
- (iv) make recommendations to the Board on the remuneration of Non-executive Directors;

薪酬委員會

薪酬委員會目前由五名董事組成，以獨立非執行董事佔多數，黃潤權博士擔任薪酬委員會主席。回顧年度內，薪酬委員會的成員如下：

- 黃潤權博士(主席)
(自2017年12月1日起獲委任)
- 朱俊浩先生
(自2017年3月9日起獲委任)
- 劉文德先生
(自2017年12月1日起獲委任)
- 李翰文先生
(自2017年12月1日起獲委任)
- 簡福飴先生
葉澍堃先生(前主席)
(自2017年12月1日起辭任)
- 蔡健鴻工程師
(自2017年3月9日起辭任)

薪酬委員會之權限及職責載於其特定書面職權範圍內。薪酬委員會之職權範圍全文已登載於本公司及聯交所網站內。

薪酬委員會主要負責檢討本集團之薪酬政策及本公司董事與高層管理人員之薪酬待遇。其職責概述如下：

- (i) 就本公司所有董事及高層管理人員薪酬之政策及架構，以及就發展薪酬政策而訂立一套正式且具透明度之程序，向董事會作出建議；
- (ii) 經參考董事會之企業目的及目標後，檢討及批准管理層之薪酬建議；
- (iii) 就個別執行董事及高層管理人員之薪酬待遇，向董事會作出建議；
- (iv) 就非執行董事之薪酬，向董事會作出建議；

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- | | |
|---|--|
| <p>(v) consider salaries paid by comparable companies, time commitment and responsibilities, and employment conditions elsewhere in the Group;</p> | <p>(v) 考慮比較公司支付的薪金，須付出的時間及職責，以及本集團內其他職位的僱用條件；</p> |
| <p>(vi) review and approve compensation payable to Executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;</p> | <p>(vi) 檢討及批准向執行董事及高層管理人員就任何喪失或終止職務或委任而須支付的賠償，以確保該等賠償與合約條款一致；若未能與合約條款一致，賠償亦須公平合理，不致過多；</p> |
| <p>(vii) review and approve compensation arrangement, relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate; and</p> | <p>(vii) 檢討及批准因董事行為失當而解僱或罷免有關董事所涉及的賠償安排，以確保該等安排與合約條款一致；若未能與合約條款一致，有關賠償亦須合理適當；及</p> |
| <p>(viii) ensure that no Director or any of his associates is involved in deciding his own remuneration.</p> | <p>(viii) 確保任何董事或其任何連繫人不得參與釐定其薪酬。</p> |

The Remuneration Committee shall meet at least once a year. During the year, three Remuneration Committee meetings were held. Attendances of the meetings have been disclosed on page 43 of this report.

薪酬委員會須每年至少舉行一次會議。本年內，薪酬委員會舉行了3次會議。出席會議之情況已於本報告第43頁披露。

During the year, the Remuneration Committee members reviewed (i) the remuneration packages of the newly appointed Executive Director, Independent Non-executive Directors and senior management; (ii) the salaries of Executive Directors and business segment heads for the year ending 2018; (iii) the salary increment of the general staff for the year ending 2018; (iv) the directors' fees for the year ending 31 December 2018; and (v) recommended the aforesaid matters to the Board for approval.

本年內，薪酬委員會成員已檢討(i)新獲委任的執行董事、獨立非執行董事及高層管理人員之薪酬待遇；(ii)截至2018年止年度之執行董事及業務分部主管之薪金；(iii)截至2018年止年度之普通員工的加薪；(iv)截至2018年12月31日止年度之董事袍金；及(v)就批准上述事宜向董事會作出推薦建議。

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Pursuant to code provision B.1.5 of the CG Code, the remuneration of the senior management by band for the year ended 31 December 2017 is set out below:

根據企業管治守則之守則條文第B.1.5條，以下列出高層管理人員於截至2017年12月31日止年度的薪酬組別：

Within the band of	組別介乎於	Number of individuals 人數
up to HK\$1,000,000	港幣 1,000,000 元或以下	17
HK\$1,000,001 to HK\$2,000,000	港幣 1,000,001 元至港幣 2,000,000 元	18
HK\$2,000,001 to HK\$3,000,000	港幣 2,000,001 元至港幣 3,000,000 元	3

Remuneration Policy of the Group

The Group sets its remuneration policy by making reference to the prevailing market conditions and benchmark of the industry, and by formulating a performance-based reward system. It is to ensure that the Group is able to attract, retain and motivate executives of the highest calibre, essential to the successful leadership and effective management of the Group. The performance measures are balanced between financial and industrial comparatives. The components of remuneration package may consist of base salary, allowances, benefits-in-kind, fringe benefits including medical insurance and contributions to pension funds, as well as incentives like discretionary bonus, participation in a share option scheme or long-term rewards.

The remuneration packages of the Executive Directors and senior management of the Company are determined by the Remuneration Committee and approved by the Board by reference to their respective duties and responsibilities in the Group, individual performance, achievement of the Group's targets and the prevailing market terms in the industry.

The remunerations of the Non-executive and Independent Non-executive Directors are determined by the Board under the recommendation of the Remuneration Committee by reference to their duties and responsibilities in the Group, time involvement and the prevailing market situation.

本集團之薪酬政策

本集團在訂定其薪酬政策時會參考當時市況及行業標準，並制定一套與表現掛鈎的獎賞制度，以確保本集團能吸引、挽留及激勵具有卓越才幹、可成功領導及有效管理本集團之人才。在進行表現評核時會考慮財政狀況及行業指標以求在兩者中取得平衡。薪酬待遇之組成部分可包括基本薪金、津貼、實物福利、附加福利(包括醫療保險及退休金供款)及諸如酌情花紅、參與購股權計劃或長期回報等激勵。

本公司執行董事及高層管理人員之薪酬待遇乃由薪酬委員會及董事會經參考彼等各自於本集團之職責及責任、個人表現、本集團目標之達標情況及業內當時之市場條款後釐定及批准。

非執行及獨立非執行董事之薪酬乃由董事會根據薪酬委員會之建議，並經參考各董事於本集團之職責及責任、所耗時間及當時市況後釐定。

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Nomination Committee

The Nomination Committee currently comprises five Directors, a majority of whom are Independent Non-executive Directors, and Mr. Kan Fook Yee acts as the chairman of the Nomination Committee. The members of the Nomination Committee during the year under review were:

- Mr. Kan Fook Yee (*Chairman*)
 Mr. Kingston Chu Chun Ho
 (appointed with effect from 9 March 2017)
 Mr. Ronald Lau Man Tak
 (appointed with effect from 1 December 2017)
 Mr. Eric Lee Hon Man
 (appointed with effect from 1 December 2017)
 Dr. Edward Wong Yun Kuen
 (appointed with effect from 1 December 2017)
 Ir. Joseph Choi Kin Hung
 (resigned with effect from 9 March 2017)
 Mr. Stephen Ip Shu Kwan
 (resigned with effect from 1 December 2017)

The authority and duties of the Nomination Committee are set out in its specific written terms of reference. Full text of the said terms of reference of the Nomination Committee is available on the websites of the Company and the Stock Exchange.

The Nomination Committee is primarily responsible for formulating nomination policy and leading the process of identifying and nominating suitable candidates. Its duties are summarised below:

- (i) review the structure, size and diversity (including without limitation, gender, age, cultural and educational background, ethnicity, skills, knowledge, professional experience and length of service) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Group's corporate strategy;
- (ii) identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (iii) identify and nominate candidates to fill casual vacancies of Directors for the Board's approval;
- (iv) taking into account the Group's corporate strategy and mix of skills, knowledge, experience and diversity needed in the future, to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for directors, in particular the Chairman and the Chief Executive;

提名委員會

提名委員會目前由五名董事組成，以獨立非執行董事佔多數，簡福飴先生擔任提名委員會主席。回顧年度內，提名委員會的成員如下：

- 簡福飴先生(主席)
 朱俊浩先生
 (自2017年3月9日起獲委任)
 劉文德先生
 (自2017年12月1日起獲委任)
 李翰文先生
 (自2017年12月1日起獲委任)
 黃潤權博士
 (自2017年12月1日起獲委任)
 蔡健鴻工程師
 (自2017年3月9日起辭任)
 葉澍堃先生
 (自2017年12月1日起辭任)

提名委員會之權限及職責載於其特定書面職權範圍內。提名委員會之有關職權範圍全文已登載於本公司及聯交所網站內。

提名委員會主要負責制定提名政策及主導物色及提名適合候選人的過程。其職責概述如下：

- (i) 至少每年檢討董事會的架構、規模及多元化(包括但不限於性別、年齡、文化及教育背景、種族、技能、知識、專業經驗及服務年期方面)，並就任何擬作出的變動向董事會提出建議以配合執行本集團企業策略；
- (ii) 物色具備合適資格可擔任董事會成員的人士，並挑選提名有關人士出任董事或就此向董事會提出建議；
- (iii) 物色及提名候選人供董事會批准以填補董事之臨時空缺；
- (iv) 經計及本集團的企業策略以及未來所需的技能、知識、經驗及多元化組合，就董事委任或重新委任以及董事(尤其是主席及行政總裁)繼任計劃的有關事宜向董事會提出建議；

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|---|---|
| <p>(v) assess the independence of Independent Non-executive Directors and review the Independent Non-executive Directors' annual confirmations on their independence; and make disclosure of its review results in the Corporate Governance Report;</p> | <p>(v) 評核獨立非執行董事之獨立性及審視獨立非執行董事就其獨立性所作年度確認；並在《企業管治報告》內披露其審視結果；</p> |
| <p>(vi) regularly review the time required from a Director to perform his/her responsibilities and report to the Board of their findings; and</p> | <p>(vi) 定期檢討董事履行其責任所需付出之時間，並向董事會匯報其檢討結果；及</p> |
| <p>(vii) review the Board Diversity Policy, as appropriate; review the measurable objectives that the Board had set for implementing the Board Diversity Policy, and the progress on achieving the objectives; and make disclosure of its review results in the Corporate Governance Report annually.</p> | <p>(vii) 在適當情況下檢討董事會成員多元化政策；檢討董事會為執行董事會成員多元化政策而制定之可計量目標和達標進度；以及每年在《企業管治報告》內披露其檢討結果。</p> |

The Nomination Committee shall meet at least once a year. During the year, one Nomination Committee meeting was held. Attendances of the meeting have been disclosed on page 43 of this report.

提名委員會須每年至少舉行一次會議。本年內，提名委員會舉行了1次會議。出席會議之情況已於本報告第43頁披露。

During the year, the Nomination Committee members (i) reviewed and considered that the structure, size, diversity and composition of the Board are appropriate; (ii) assessed the independence of Independent Non-executive Directors; (iii) reviewed the appointments of Executive Director and Independent Non-executive Directors; and (iv) recommended the aforesaid matters to the Board for approval.

本年內，提名委員會成員已(i)檢討並認為董事會的架構、規模、多元化及組成適當；(ii)評估獨立非執行董事的獨立性；(iii)檢視執行董事及獨立非執行董事之聘任；及(iv)建議董事會批准上述事宜。

The "Board Diversity Policy" sets out the approach to achieve diversity on the Board. It is believed that a truly diverse board will include and make good use of differences in the skills, background, experience, knowledge, expertise and other qualities of the Board members. These differences will be taken into account in determining the optimum composition of the Board. The Nomination Committee will review the Board composition by considering the benefits of all aspect of diversity, including but not limited to those described above. The "Board Diversity Policy" shall be reviewed by the Nomination Committee, as appropriate, to ensure its effectiveness.

「董事會成員多元化政策」載列實現董事會成員多元化之方式。本公司認為，一個真正成員多元化之董事會將融入及善用董事會成員之不同技能、背景、經驗、知識、專長及其他質素。該等差異將在釐定董事會之最佳組合時納入考量。提名委員會將透過考慮多元化之所有裨益(包括但不限於上述方面)檢討董事會之組成。「董事會成員多元化政策」須由提名委員會進行檢討(如適用)以確保其有效性。

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Special Committee

To streamline the structure of the Board Committees, the Company ceased to have the Special Committee with effect from 28 September 2017. As at 28 September 2017, the Special Committee comprised four Independent Non-executive Directors. The members of the Special Committee were:

Mr. Kan Fook Yee (*Chairman*)
 Mr. Stephen Ip Shu Kwan
 Mr. Wong Tsan Kwong
 Mr. David Yu Hon To

On 9 April 2015, the Special Committee was established to deal with the investigation by Independent Commission Against Corruption of Hong Kong in connection with the contracts awarded for a renovation project of Garden Vista, the property managed by the Group previously with duties summarised below:

- (i) review, as appropriate, the adequacy of internal procedures and related checks and balances in relation to the provision of property and facility management services of the Group (including managing any tender processes for client properties or facilities) and internal training programmes implemented by the Group in such procedures and legal/regulatory compliance and recommend measures to strengthen the procedures and/or training programmes as the Committee deems necessary;
- (ii) monitor the progress of investigations on the matters, and to consider the impact of any further developments on the operations and financial position of the Group and to recommend action to be taken by the Board;
- (iii) where the Committee considers it appropriate, appoint external legal counsel or other independent professional advisers (the "Advisers") (the terms of engagement and scope of work of which shall be determined and finalised by the Committee) to provide advice and assistance in conducting the investigation into the matters, to review and comment on the findings and to consider the advice of the Advisers;
- (iv) authorise any further investigations that may be deemed necessary in the Committee's sole opinion; and

特別委員會

為精簡董事委員會架構，本公司自2017年9月28日起不再設立特別委員會。截至2017年9月28日，特別委員會由四名獨立非執行董事組成。特別委員會成員如下：

簡福飴先生(主席)
 葉樹堃先生
 黃燦光先生
 俞漢度先生

特別委員會於2015年4月9日成立，以處理香港廉政公署有關先前由本集團所管理物業翠湖花園的維修項目所授出合約的調查，其職責概述如下：

- (i) 審閱(如適當)有關提供本集團之物業及設施管理服務(包括管理客戶物業或設施之任何招標程序)之內部程序及相關的互相制衡、以及本集團於該等程序實施之內部培訓計劃及法律／規管合規之足夠性，並作出委員會視為必要之建議，以加強該等程序及／或培訓計劃；
- (ii) 監管調查該等事宜之過程；及考慮任何進一步發展對本集團之營運及財務狀況之影響，並建議董事會將予採取之行動；
- (iii) 如委員會視為適當，委任外聘法律顧問或其他獨立專業顧問(「顧問」)(其委聘條款及工作範圍將由委員會釐定及落實)以提供意見及協助對該等事宜進行調查，審閱調查結果及就此提出意見並考慮顧問之意見；
- (iv) 授權委員會全權進行可能認為屬必要之任何進一步調查；及

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(v) report on any irregularities identified by the Advisers and from the results of any investigations to the Board as and when the Committee considers appropriate and to make recommendations to the Board on the action to be taken.

The Special Committee met from time to time and as necessary. As at 28 September 2017, none of Special Committee meeting was held.

Executive Committee

The Executive Committee currently comprises two Executive Directors and two senior management members of the Group. The members of the Executive Committee during the year under review were:

Mr. Kingston Chu Chun Ho
(appointed with effect from 9 March 2017)
Mr. Terence Leung Siu Cheong
Mr. William Yeung Wai Ling
(appointed with effect from 25 September 2017)
Ms. Mandy Hui Suk Man
(appointed with effect from 25 September 2017)
Ir. Joseph Choi Kin Hung
(resigned with effect from 9 March 2017)
Mr. Lui Chun Pong
(resigned with effect from 9 March 2017)

The authority and duties of the Executive Committee are set out in the specific written terms of reference adopted by the Board. Full text of the said terms of reference of the Executive Committee is available on the website of the Company. The principal duties of the Executive Committee are, pursuant to the Authorisation Matrix/Limits of Authority of each subsidiary, to approve tender submission and/or payment requisition when the amount of tender or payment exceeds certain limits, to approve banking matters, the issue of guarantees to third party customers, the issue of shares under share option scheme, promotion or appointment of senior management at operation level, and other duties delegated by the Board from time to time.

The Executive Committee shall meet as and when required depending on business and operation needs. Members' attendances would depend on the importance of the matters to be transacted. During the year ended 31 December 2017, the Executive Committee held 22 meetings to discharge their duties.

(v) 於委員會認為適當時，向董事會報告顧問所識別及於任何調查結果中識別之任何不當行為，並就將予採取之行動向董事會作出建議。

特別委員會不時及於有必要時舉行會議。截至2017年9月28日，特別委員會概無舉行任何會議。

執行委員會

執行委員會目前由兩名執行董事及兩名本集團高層管理人員組成。回顧年度內，執行委員會的成員如下：

朱俊浩先生
(自2017年3月9日起獲委任)
梁兆昌先生
楊威寧先生
(自2017年9月25日起獲委任)
許淑敏女士
(自2017年9月25日起獲委任)
蔡健鴻工程師
(自2017年3月9日起辭任)
呂振邦先生
(自2017年3月9日起辭任)

執行委員會之權限及職責載於經董事會採納之特定書面職權範圍內。執行委員會之有關職權範圍全文已登載於本公司網站內。執行委員會之主要職責為根據各附屬公司之審批權限額度表，倘若投標額或付款額超過若干限制，則需批准入標競投及／或付款請求，批准銀行事務、向第三方客戶出具擔保、按購股權計劃發行股份、晉升或委任業務層的高層管理人員及不時執行由董事會委任的其他職責。

執行委員會須因應業務及營運需要召開會議。成員可按將予處理事宜之重要性出席會議。截至2017年12月31日止年度，執行委員會舉行了22次會議以履行職責。

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CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for determining the policy for the corporate governance of the Company and performing the corporate governance duties as below:

- (i) develop and review the Company's policies and practices on corporate governance;
- (ii) review and monitor the training and continuous professional development of Directors and senior management;
- (iii) review and monitor the Company's policies and practices on compliance with all legal and regulatory requirements;
- (iv) develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (v) review the Company's compliance with the CG Code and disclosure requirements in the Corporate Governance Report.

The Board has in place Procedures for Directors to seek Independent Professional Advice.

DELEGATION TO MANAGEMENT

The monitoring of the day-to-day business operations of the Group and the implementation of the business plans and strategies adopted by the Board are performed by the senior management led primarily by the Managing Directors of the Company.

The Group has also organised a management meeting for senior management and other relevant staff to meet on a monthly basis to review business operations with significant issue, review the financial and business performance against the budget approved by the Board, and review the implementation of the strategies and policies adopted by the Board.

Risk Management Committee

With a view to further enhancing risk management at all levels, a Risk Management Committee, as approved by the Audit Committee and the Board, has been established to assume the responsibility for identifying, evaluating, assessing and managing risk areas from company-wide perspective. The Risk Management Committee comprises senior management, and corporate managers of the Group. Its findings and recommendations will be reported to the Audit Committee.

企業管治職能

董事會負責釐定本公司企業管治政策及履行以下企業管治職責：

- (i) 制訂及檢討本公司企業管治政策及常規；
- (ii) 檢討及監察董事及高層管理人員之培訓及持續專業發展；
- (iii) 檢討及監察本公司就遵守所有法律及監管規定所制定之政策及常規；
- (iv) 制訂、檢討及監察適用於僱員及董事之行為守則及合規手冊(如有)；及
- (v) 檢討本公司是否遵守企業管治守則及企業管治報告之披露規定。

董事會已設有董事尋求獨立專業意見之程序。

轉授權力予管理層

高層管理人員主要在本公司董事總經理之領導下，監督本集團之日常業務運作及執行經董事會採納之業務計劃與策略。

本集團亦為高層管理人員及其他相關員工設有管理人員會議，以供每月召開會議以檢討有關業務運作之重要事宜，按董事會批准之預算檢討財務及業務表現，以及檢討董事會所採納策略及政策之實施成效。

風險管理委員會

為進一步加強各層面的風險管理，經審核委員會與董事會批准，風險管理委員會已成立，其責任是從公司整體層面識別、分析、評估及管理不同的風險範疇。風險管理委員會由本集團高層管理人員及企業部門經理組成。其調查結果及建議將向審核委員會呈報。

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Risk Management

The Board has the overall responsibility for establishing, maintaining and evaluating the adequacy and effectiveness of the risk management and internal control systems of the Group on an ongoing basis. Such systems are designed to manage rather than eliminate risk of failure to achieve business objective, and can only provide reasonable but not absolute assurance against material misstatement or loss.

Management is responsible for setting the appropriate tone from the top, performing risk assessments, and owning the design, implementation and maintenance of internal controls. The associated policies and procedures for risk management and internal controls, which are properly documented and communicated to staff, are designed to help ensure that the Group's assets are safeguarded against unauthorised use or disposition; relevant rules and regulations are adhered to and complied with; complete, accurate and reliable financial and accounting records are maintained; and key risk factors including business strategic, operational, financial and regulatory compliance risks which may impact the Group's performance are appropriately identified and managed.

To ensure the risk management process is consistent with the best practice, the Group reviews the existing practice, and their suggestions will be incorporated into the Group's risk management framework in due course.

The Group's risk management framework comprises the following key features:

- A distinct organisational structure for different responsible parties with defined authority, responsibilities and risk management roles;
- The Board sets forth the proper risk management culture and risk appetite for the Group, evaluates and determines the level of risk that the Group should take and monitor regularly;
- The Risk Management Committee facilitates the risk assessment process and timely communication to the Audit Committee and the Board. Also, they ensure key business and operational risks being properly identified and managed; and
- A Risk Management Policy has been established to provide a framework for the identification, analysis, evaluation, treatment, monitoring and reporting of key risks at all levels across the Group to support the achievement of the organisation's overall strategic objectives.

風險管理

董事會全權負責設立、維持並持續評估本集團之風險管理及內部監控系統之充足性及成效。有關管理系統旨在管理而非消除未能達成業務目標之風險，並僅可就重大錯誤陳述或損失提供合理而非絕對保證。

管理層負責從頂層為監控定調、執行風險評估、並設計、實施及維護內部監控。風險管理及內部監控之相關政策及程序已作妥善書面記錄並傳達予員工，該等政策及程序旨在協助確保本集團資產不會在未經授權下被使用或轉讓；有關規則及規例獲依循及遵守；財務及會計記錄獲完整、準確及可靠地保存；以及可能影響本集團業績的業務策略、營運、財務及監管合規風險等主要風險因素均獲妥為識別及管理。

為確保風險管理程序與最佳常規一致，本集團審閱現時的做法，彼等的建議將於適當時候納入本集團風險管理框架。

本集團之風險管理框架包含以下主要特徵：

- 就負責各方訂立權責及風險管理角色分明的組織架構；
- 董事會為本集團設立適當的風險管理文化及風險承受能力，評估及釐定本集團應承擔並進行定期監控的風險水平；
- 風險管理委員會促進風險評估程序，並及時向審核委員會及董事會溝通。再者，彼等確保主要業務及營運風險妥為識別及管理；及
- 制定風險管理政策以提供一個框架，以識別、分析、評估、處理、監控及匯報本集團的關鍵風險，協助組織實現整體戰略目標。

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Identified potential risks are evaluated using appropriate qualitative and quantitative techniques and risk responses (i.e. accept, reduce, transfer and avoid) are formulated, which are consistent with the Group's risk appetite. Risks are assessed based on a risk assessment matrix that helps to rank the risks into 4 risk levels (i.e. Extremely High, High, Medium and Low) and to prioritise risk management effort to determine the appropriate risk mitigation plans.

Internal Control

The Group has an internal audit ("IA") function, which plays a major role in monitoring the internal governance of the Group, to conduct independent reviews of the adequacy and effectiveness of its risk management and internal control system and report the review results regularly to the Board through the Audit Committee.

To ensure systematic coverage of all auditable areas and effective deployment of resources, a 3-year IA plan with reference to the risk assessment results has been formulated and approved by the Audit Committee. During the year, the IA plan focused on the examination of the fraud control, site safety, business strategy, financial and treasury management, compliance with applicable rules and regulations, management of litigation and claims, payment controls, and management of information technology. Subsequent meetings were conducted to update the IA plan in order to reflect the major changes in the organisational structure and business objectives, review the IA reports and highlight the more significant issues identified from the IA reviews and follow-up actions taken. Meetings between the Head of IA function and senior management are conducted monthly to stay current with market developments and changes in the business strategy.

The Group is fully aware of its obligation of handling and dissemination of inside information under the Listing Rules and the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"). The Group has a set of procedures and controls in place to preserve the confidentiality of inside information relating to the Group. All Board members and senior management, who are likely to possess the Group's inside information because of their offices or employments in the Group, are bound by Model Code. In addition, every employee is required to follow the guidelines of the code of conduct and the staff handbook to keep unpublished inside information strictly confidential.

已識別潛在風險乃以恰當定性及定量方法評估，並制定與本集團風險承受能力一致的風險應對方法(即接受、減低、轉移及避免)。風險乃根據風險評級分為四個風險等級(即極高、高、中等及低)進行評估，該評級亦可協助制定風險管理優先次序，訂立恰當的風險緩解計劃。

內部監控

本集團既有內部審核(「內部審核」)職能，主要職責為監察本集團內部管治，對風險管理及內部監控系統的充足性及成效進行獨立審視，並透過審核委員會定期向董事會匯報審視結果。

為確保有系統地覆蓋所有審核範圍及有效分配資源，參考風險評估結果後已制訂三年內部審核計劃並獲得審核委員會批准。本年內，內部審核計劃的焦點為評核欺詐監控、地盤安全、業務策略、財務及庫務管理、遵守適用守則及規定、管理訴訟及索賠、付款監控、以及管理資訊科技。其後亦召開會議，更新內部審核計劃，反映組織架構的主要變動及業務目標、審閱內部審核報告，並重點提及內部審核所識別的較重大問題及已採取的跟進行動。內部審核職能的主管與高層管理人員每月召開會議，以得知市場發展及業務策略的變動。

本集團十分清楚上市規則及香港法例第571章證券及期貨條例(「證券及期貨條例」)下處理及發佈內幕消息的責任。本集團有一系列程序及監控，保持與本集團有關的內幕消息機密。全體董事會成員及高層管理人員均可能因彼等的職務或受僱於本集團，而擁有本集團內幕消息，彼等受標準守則約束。再者，各員工須遵守操守守則及員工手冊內的指引，保持未刊發內幕消息絕對保密。

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Review of Risk Management and Internal Control Systems

During the year, the Board has conducted a review on the effectiveness of risk management and internal control systems of the Group through discussion with the Audit Committee, which covers the major control procedures in areas of business/strategy, operational, financial, compliance and regulatory risk, and was satisfied with the effectiveness of the Group's risk management and internal control systems.

The changes in the nature and extent of significant risks faced by the Group and response plans to changes in its business and the external environment have been evaluated. The scope and quality of ongoing monitoring of risks and the internal control systems have been assessed. No significant areas of concern that may affect the Group to achieve strategic goals have been identified. The Board considered that the risk management and internal control systems are functioning effectively and adequately.

In addition, confirmation from management on the effectiveness of the risk management and internal control systems of the Group was received during the year.

The Board has reviewed and is satisfied with the adequacy of resources, staff qualifications and experiences, training requirements and budgets of the Group's accounting, financial reporting and IA functions.

Integrity Monitoring Committee

Each of our staff is given clear guidelines and codes of standard in the staff handbook with integrity being put as the first and foremost code of conduct. A whistle-blowing-type channel which is implemented by the Integrity Monitoring Committee is to provide staff and contractors a channel to report issues which might cause a significant financial loss to, or an adverse impact on the image of the Company. The Integrity Monitoring Committee comprises senior quality assurance manager as chairman of the Committee, finance director and senior human resources manager as members.

風險管理及內部監控系統回顧

本年內，董事會已通過與審核委員會就業務／策略、營運、財務、合規及監管的風險範疇之主要監控程序的討論，對本集團風險管理及內部監控系統的效能進行檢討，並對本集團風險管理及內部監控系統的成效表示滿意。

本集團所面臨重大風險之性質及程度之轉變以及就其業務及外部環境變動所作出之應對計劃已經作出評估。持續監察風險及內部監控系統的工作範疇及素質已作出評估。概無識別可能影響本集團達成策略目標的重要關注事項。董事會認為風險管理及內部監控系統的運作有效充足。

此外，本年內已收到管理層對本集團風險管理及內部監控系統有效性之確認。

董事會已審視及滿意資源充足性、僱員資格及經驗、受訓要求及本集團會計、財務報告及內部審核職能的預算。

誠信監察委員會

本集團給每位員工的員工手冊中均載有清晰指引及標準守則，其中以誠信為首要操守原則。誠信監察委員會實施之舉報渠道為員工及承建商提供渠道報告或會導致本公司蒙受重大財務損失或有損本公司形象的事項。誠信監察委員會由高級質量監控經理(委員會主席)、財務董事及高級人才資源經理(成員)組成。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

The Directors acknowledge their responsibility for preparing the consolidated financial statements which give a true and fair view of the state of affairs of the Company and the Group on a going concern basis. With the support of the accounting and finance functions led by Finance Director of the Group, the Directors have ensured that the consolidated financial statements for the year ended 31 December 2017 have been prepared in accordance with appropriate accounting policies applied, if any, consistently save for those new and amended accounting standards as disclosed in the notes to the consolidated financial statements.

In preparing the interim and annual financial statements, announcements and other financial disclosures required under the Listing Rules, the Directors aim at presenting a balanced, clear and understandable assessment of the Group's position and prospects. Financial information put before the Board for approval by management is accompanied by sufficient explanation to enable the Directors to make an informed assessment.

The independent auditor's report, which contains the statement of the external auditor about its reporting responsibilities on the Company's financial statements, is set out in pages 96 to 98 of this annual report.

AUDITOR'S REMUNERATION

The fees paid/payable to PricewaterhouseCoopers, the Company's external auditor, for services rendered for the year ended 31 December 2017 are set out as follows:

Services rendered

所提供服務

		Fees paid/payable 已付／應付費用 HK\$'000 港幣千元
Audit services	審核服務	1,520
Non-audit services*	非審核服務*	223

* compressed advisory services in compliance with regulatory requirements, ad hoc projects for the transactions and potential transactions interim review and continuing connected transactions assurance, etc.

董事的財務匯報責任

董事明白彼等對編製綜合財務報表的責任，財務報表須真實公平地反映本公司及本集團按持續經營基準的事務狀況。在本集團財務董事統領的會計及財務職能支援下，董事確保截至2017年12月31日止年度之綜合財務報表已根據貫徹應用的適當會計政策（如有）編製，惟綜合財務報表附註所披露的該等新訂及經修訂會計準則除外。

在編製中期與年度財務報表、公告及根據上市規則之規定須予披露之其他財務資料時，董事均以中肯、清晰及易於理解之形式評估本集團之情況及前景為目標。管理層提呈予董事會審批的財務資料須連同充足解說，使董事可作出知情評估。

獨立核數師報告（當中載有外聘核數師就本公司財務報表之匯報責任所作聲明）載於本年報第96至第98頁。

核數師酬金

截至2017年12月31日止年度，就本公司外聘核數師羅兵咸永道會計師事務所提供服務而已付／應付費用載列如下：

* 包括符合規例要求的諮詢服務、交易和潛在交易的特別項目、中期審查和持續關連交易保證等。

CORPORATE GOVERNANCE REPORT

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COMPANY SECRETARY

The Company Secretary is responsible for facilitating the Board process, as well as communications among Board members. The Company Secretary complied with all the qualifications under the Listing Rules. Mr. Wong Long Kee acted as the Company Secretary during the period from 1 January 2017 to 27 February 2017 and the Company appointed Mr. Eric Chan Kwong Leung as the Company Secretary from an external service provider with effect from 28 February 2017. The primary corporate contact person at the Company is Ms. Mandy Hui Suk Man, the Finance Director of the Group.

SHAREHOLDERS' RIGHTS, INVESTOR RELATIONS AND COMMUNICATIONS WITH SHAREHOLDERS

In addition to publishing interim and annual reports, announcements, circulars, quarterly business updates and press releases, updates on the Group's developments are also provided on the Company's website which is updated in a timely manner.

Comments and suggestions from shareholders or investors are welcome through the following channels to the Company:

- (i) by post to the Company's Hong Kong principal place of business at 7/F., Linkchart Centre, 2 Tai Yip Street, Kwun Tong, Kowloon, Hong Kong
- (ii) by facsimile transmission to (852) 2751 8784
- (iii) by telephone at (852) 3471 2340
- (iv) by email at investor@synergis.com.hk
- (v) on the Company's website at www.synergis.com.hk under "IR Contact" of "Investor Relations"

An AGM is deemed as a forum for shareholders to communicate directly with the Board members. Notice of 20 clear business days together with detailed agenda is given to shareholders for the AGM of the Company and 10 clear business days for all special general meetings of the Company. Separate resolution is proposed at the AGM on each substantially separate issue, including the election of each individual director.

公司秘書

公司秘書負責促成董事會的有效運作，以及董事會成員之間的溝通。公司秘書已符合所有上市規則之資格規定。自2017年1月1日起至2017年2月27日期間，王朗祺先生擔任公司秘書，而本公司自2017年2月28日起從外間服務商委任陳鄭良先生為公司秘書。本公司的主要企業聯絡人為本集團財務董事許淑敏女士。

股東權利、投資者關係及與股東之溝通

除透過刊發中期報告與年報、公告、通函、季度業務更新及新聞稿外，有關本集團最新發展情況之資料亦會登載於本公司下述網站並及時予以更新。

股東或投資者如有任何意見及建議，歡迎透過下列途徑提交予本公司：

- (i) 郵寄至本公司之香港主要營業地點，地址為香港九龍觀塘大業街2號聯卓中心7樓
- (ii) 傳真至(852) 2751 8784
- (iii) 致電(852) 3471 2340
- (iv) 發送電郵至 investor@synergis.com.hk
- (v) 於本公司網站 www.synergis.com.hk 之「投資者關係」下「投資界查詢」一欄

股東周年大會被視為股東與董事會成員直接溝通的平台。召開本公司股東周年大會須最少於20個完整營業日前向股東寄發載有詳細會議議程之通告，而本公司所有股東特別大會則須10個完整營業日。個別的決議案就各項基本上獨立的事項提呈股東周年大會，包括選舉各個別董事。

CORPORATE GOVERNANCE REPORT

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In accordance with the Bye-laws, any shareholder holding not less than one-tenth of the paid-up capital of the Company carrying the right of voting at a general meeting shall have the right, by written requisition served to the Board or the Company Secretary, to require a special general meeting to be convened by the Board for transaction of any business specified in such requisition. Any vote of shareholders at a general meeting must be taken by poll. The chairman of meeting will explain the poll voting procedures at the relevant general meeting.

CONTINUOUS CORPORATE GOVERNANCE ENHANCEMENT

The Board is committed to continuous corporate governance enhancement including giving closer attention to any regulatory changes with a view to maintaining a corporate culture built on ethics and integrity and increasing shareholder value as a whole.

根據細則之規定，任何持有有權於股東大會上投票之本公司繳足股本不少於十分之一的股東，均有權向董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求列明之任何事項。股東於股東大會上必須以投票表決方式進行任何表決。大會主席將於相關股東大會上解釋投票表決的程序。

不斷提升企業管治水平

董事會承諾將繼續提升企業管治水平，包括密切留意任何法規變動，務求維持一套建基於道德及誠信的企業文化，及提升股東的整體價值。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE HIGHLIGHTS

環境、社會及管治摘要

With a mission to create value for our stakeholders, we, Synergis, are dedicated to ensuring that our business operations bring sustained value to our shareholders, customers, employees, and business partners, while benefitting the environment and community at large.

The Group's first standalone ESG report demonstrates our commitment to the integration of economic, environmental, social considerations in our business approach. It also demonstrates the Group's comprehensive effort in caring for its stakeholders. The report outlines our sustainability management approach and performances for the year ended 31 December 2017 and has been prepared in accordance with the "comply or explain" and "recommended disclosures" provisions of the ESG Reporting Guide as set out in Appendix 27 of the Listing Rules.

Key highlights of the Group's sustainability initiatives and performances are as follows:

- Participated in ESG engagement exercises with close to 300 stakeholders, including management, employees, customers and business partners;
- Refined its sustainability strategy and commitment;
- Achieved 98% customer satisfaction in our property and facility management services;
- Attended over 50 recruitment talks and job fairs to attract talents;
- Accumulated over 11,000 training hours for full time employees; and
- Set up a new standing committee responsible for planning ESG and employee activities, namely "S-Power".

力求為持份者締造價值，昇捷致力確保業務營運為股東、客戶、僱員及業務夥伴帶來持續價值，同時從整體上惠及環境和社區。

本集團的首份獨立的环境、社會及管治報告闡述我們對經濟、環保及社會考慮因素融入營運方針的承擔。報告亦展示本集團對兼顧持份者的全面措施。該報告概括截至2017年12月31日止年度的可持續發展管理方針及表現及乃根據上市規則附錄27所載環境、社會及管治指引的「不遵守就解釋」及「建議披露」條文編製。

本集團的可持續發展政策及表現的主要摘要如下：

- 接近300名持份者參與環境、社會及管治活動，包括管理層、僱員、客戶及業務夥伴；
- 改進其可持續發展策略及承諾；
- 物業及設施管理服務達致98%客戶滿意度；
- 參與逾50場招聘講座及招聘會以吸納人才；
- 全職僱員累積超過11,000個培訓小時；及
- 新設立常務委員會，負責規劃環境、社會及管治和僱員活動，名為「S-Power昇動力」。

DIRECTORS' REPORT

董事會報告

The Directors present the report and the consolidated financial statements of the Group for the year ended 31 December 2017.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries are the provision of PFM business and ISP business in Hong Kong, Mainland China and Macau. Particulars of the principal subsidiaries of the Company are set out in notes 32 to the financial statements.

SEGMENT INFORMATION

Details of segment information are set out in note 5 to the financial statements.

BUSINESS REVIEW

Details of the business review information are set out in the section headed "Management Discussion and Analysis" on pages 10 to 24 of this annual report.

ENVIRONMENTAL POLICIES AND PERFORMANCE

We consider environmental protection is essential to the long-term development of the Group and will constantly improve management practices so as to minimise waste, maximise efficiencies and reduce our negative environmental impact on the environment.

For details, please refer to our standalone "Environmental, Social and Governance Report".

COMPLIANCE WITH LAWS AND REGULATIONS

The Group recognises the importance of compliance with regulatory requirements and the risk of non-compliance with such requirements. The Group has been allocating system and staff resources to ensure ongoing compliance with rules and regulations.

The Group's operations are mainly carried out by the Company's subsidiaries in Hong Kong, Mainland China and Macau while the Company itself was incorporated in Bermuda and listed on the Stock Exchange in Hong Kong. Our establishment and operations accordingly shall comply with relevant laws and regulations in Hong Kong, Bermuda, Mainland China and Macau.

董事會提呈本報告及本集團截至2017年12月31日止年度之綜合財務報表。

主要業務

本公司之主要業務為投資控股。本公司附屬公司之主要業務為於香港、中國內地及澳門提供物業及設施管理服務及室內裝飾及特殊項目業務以及輔助業務。本公司主要附屬公司之詳情載於財務報表附註32。

分部資料

分部資料詳情載於財務報表附註5。

業務回顧

業務回顧資料之詳情載於本年報第10頁至第24頁之「管理層討論及分析」一節。

環境政策及表現

我們認為環境保護對本集團之長遠發展而言屬至關重要，並將持續提升管理常規以盡量減少廢棄物、提升效益及降低負面環境影響。

有關詳情謹請參閱我們獨立的「環境、社會及管治報告」。

遵守法律及法規

本集團承認遵守監管規定之重要性及不遵守有關規定之風險。本集團已分配系統及員工資源以確保持續遵守相關規則及法規。

本集團之營運主要由本公司於香港、中國內地及澳門之附屬公司進行，而其本身於百慕達註冊成立並於香港聯交所上市。我們的成立及營運因此應遵守香港、百慕達、中國內地及澳門之相關法律及法規。

DIRECTORS' REPORT

董事會報告

To ensure compliance with the Competition Ordinance, the Group has conducted trainings for our staff. We also step up measures to increase safety awareness amongst our management and staff to prevent accidents in contravention with safety regulations.

RISKS AND UNCERTAINTIES

Various risks that the Company may face have been disclosed in the Corporate Governance Report and the notes to the Financial Statements on pages 55 to 58 and pages 124 to 129 of this annual report respectively.

RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group ensures all staff are reasonably remunerated and we regularly review and improve our policies on remuneration and benefits, training, occupational health and safety.

The Group maintains a good relationship with its customers. A customer complaint handling mechanism is in place to receive, analyse and study complaints and make recommendations on remedies with the aim of improving service quality.

The Group is in good relationship with its suppliers and conducts a fair and strict appraisal of its suppliers.

For details, please refer to our standalone "Environmental, Social and Governance Report".

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2017 are set out in the consolidated income statement on page 99; the consolidated statement of comprehensive income on page 100 and the state of affairs of the Group and of the Company as at 31 December 2017 are set out in the consolidated balance sheet on pages 101 to 102 and balance sheet and reserve movement of the Company on note 30.

The Board did not recommend the payment of interim dividend for the six months ended 30 June 2017 (2016: 1.5 HK cents per share). To preserve funds for the expansion and development of the Company, the Board does not recommend the payment of final dividend for the year ended 31 December 2017 (2016: Nil). Accordingly, total dividends for the financial year of 2017 is nil (2016: 1.5 HK cents per share).

為確保遵守競爭條例，本集團已對員工進行培訓。我們亦加強措施提升管理人員及員工安全意識，以防止違反安全法規之事故發生。

風險及不確定因素

本公司可能面臨的各類風險已分別於本年報第55至第58頁及第124頁至第129頁之企業管治報告及財務報表附註披露。

與僱員、客戶及供應商之關係

本集團確保全體員工均獲得合理薪酬，同時我們亦定期檢討及改進我們的薪酬及福利、培訓、職業健康及安全政策。

本集團與客戶保持良好關係。本集團設有客戶投訴處理系統以接收、分析及研究投訴及就補救措施提供建議，進而提升服務質素。

本集團與其供應商保持良好關係並對其供應商進行公平及嚴格之評估。

有關詳情請參閱我們獨立的「環境、社會及管治報告」。

業績及分派

本集團截至2017年12月31日止年度之業績載於第99頁之綜合損益表；第100頁之綜合全面收入報表，及本集團和本公司截至2017年12月31日之財政狀況載於第101至第102頁之綜合資產負債表及附註30之本公司資產負債表及儲備變動表。

董事會不建議就截至2017年6月30日止六個月派付中期股息(2016年：每股港幣1.5仙)。為了本公司擴張及發展之資金所需，董事會不建議就截至2017年12月31日止年度派付末期股息(2016年：無)。因此，2017財政年度之股息總額為零(2016年：每股港幣1.5仙)。

DIRECTORS' REPORT

董事會報告

RESERVES

Details of movements in the reserves of the Group and of the Company during the year are set out in the consolidated statement of changes in equity on page 103 and in note 23 to the financial statements respectively.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the operating results and of the assets and liabilities of the Group for the last four financial years and for the year ended 31 December 2017 is set out on page 169. This summary does not form a part of the financial statements.

PROPERTY, PLANT AND EQUIPMENT, AND INVESTMENT PROPERTIES

Details of movements in the property, plant and equipment, and investment properties of the Group during the year are set out in note 14 and note 15 to the financial statements respectively.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in note 22 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company at 31 December 2017, calculated under the Companies Act 1981 of Bermuda (as amended), amounted to HK\$7,947,000 (31 December 2016: HK\$66,447,000).

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws although there is no restriction against such rights under the laws of Bermuda.

儲備

本集團及本公司於本年內之儲備變動詳情分別載於第103頁之綜合權益變動表及財務報表附註23。

五年財務摘要

本集團於過去4個財政年度及截至2017年12月31日止年度經營業績與資產及負債摘要載於第169頁。此摘要並不屬於財務報表之一部份。

物業、機器及設備以及投資物業

於本年內，本集團物業、機器及設備以及投資物業之變動詳情分別載於財務報表附註14及附註15。

股本

本年內本公司之股本變動詳情，載於綜合財務報表附註22。

可供分派儲備

本公司於2017年12月31日之可供分派儲備乃根據百慕達1981年公司法(經修訂)計算，金額為港幣7,947,000元(2016年12月31日：港幣66,447,000元)。

優先購買權

本公司細則並無優先購買權之條文，惟百慕達法例亦無就該等權利設有任何限制。

DIRECTORS' REPORT

董事會報告

DIRECTORS

The Directors during the year and up to the date of this report were:

Executive Directors

- Mr. Kingston Chu Chun Ho (*Chairman*)
(appointed with effect from 9 March 2017)
- Mr. Terence Leung Siu Cheong[△]
(*Deputy Chairman and Managing Director*)
- Mr. Joseph Choi Kin Hung[#] (*former Chairman*)
(resigned with effect from 9 March 2017)
- Mr. Lui Chun Pong[#]
(resigned with effect from 9 March 2017)

Independent Non-executive Directors

- Mr. Ronald Lau Man Tak
(appointed with effect from 28 September 2017)
- Mr. Eric Lee Hon Man
(appointed with effect from 28 September 2017)
- Dr. Edward Wong Yun Kuen
(appointed with effect from 1 December 2017)
- Mr. Kan Fook Yee
- Mr. Stephen Ip Shu Kwan[#]
(resigned with effect from 1 December 2017)
- Mr. Wong Tsan Kwong[#]
(resigned with effect from 1 January 2018)
- Mr. David Yu Hon To[#]
(resigned with effect from 1 January 2018)

The profiles of Directors who are in office as at the date of this report are set out on pages 25 to 30 of this annual report.

In accordance with Bye-laws 86(2), Mr. Ronald Lau Man Tak, Mr. Eric Lee Hon Man and Dr. Edward Wong Yun Kuen shall retire and being eligible, offer themselves for re-election at 2018 AGM. In accordance with Bye-laws 87(1) and 87(2), Mr. Kan Fook Yee shall retire by rotation at 2018 AGM. Mr. Kan Fook Yee, who has been an Independent Non-executive Director since 2008, has decided to retire as a Director in May 2018 as he would like to devote more time for other personal pursuits. Mr. Kan Fook Yee has informed the Company that he will not be standing for re-election at the 2018 AGM and will therefore retire at the conclusion of the 2018 AGM. Save for the aforesaid, the other remaining Directors would continue in office.

董事

於本年內及截至本報告日期止，董事如下：

執行董事

- 朱俊浩先生 (*主席*)
(自2017年3月9日起獲委任)
- 梁兆昌先生[△]
(*副主席兼董事總經理*)
- 蔡健鴻工程師[#] (*前主席*)
(自2017年3月9日起辭任)
- 呂振邦先生[#]
(自2017年3月9日起辭任)

獨立非執行董事

- 劉文德先生
(自2017年9月28日起獲委任)
- 李翰文先生
(自2017年9月28日起獲委任)
- 黃潤權博士
(自2017年12月1日起獲委任)
- 簡福飴先生
- 葉樹堃先生[#]
(自2017年12月1日起辭任)
- 黃燦光先生[#]
(自2018年1月1日起辭任)
- 俞漢度先生[#]
(自2018年1月1日起辭任)

於本報告日期在職之董事之簡介載於本年報第25至第30頁。

根據細則第86(2)條，劉文德先生、李翰文先生及黃潤權博士應退任並符合資格於2018年股東周年大會膺選連任；而根據細則第87(1)及87(2)條，簡福飴先生須於2018年股東周年大會上輪值退任。簡福飴先生由2008年起擔任獨立非執行董事，已決定於2018年5月退任董事，因彼擬投入更多時間於個人事務。簡福飴先生已通知本公司，彼將不會於2018年股東周年大會重選連任，並將於2018年股東周年大會結束時退任。除前述者外，其他餘下之董事均將繼續留任。

DIRECTORS' REPORT

董事會報告

The Company has received from each of its Independent Non-executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules, and considers that all the Independent Non-executive Directors are independent in accordance with the terms of the independence guidelines set out in Rule 3.13 of the Listing Rules.

△ Mr. Terence Leung Siu Cheong was appointed as the Deputy Chairman with effect from 9 March 2017.

Ir. Joseph Choi Kin Hung resigned as an Executive Director with effect from 9 March 2017 as he wished to devote more time to his other business commitments. Mr. Lui Chun Pong resigned as an Executive Director with effect from 9 March 2017 as he wished to pursue his other business and personal interests. Mr. Stephen Ip Shu Kwan resigned as an Independent Non-executive Director with effect from 1 December 2017 and Mr. Wong Tsan Kwong and Mr. David Yu Hon To resigned as Independent Non-executive Directors with effect from 1 January 2018, as they would like to devote more time for other personal pursuits. They have confirmed that they have no disagreement with the Board and there is nothing relating to the affairs of the Company that needed to be brought to the attention of the shareholders of the Company or the Stock Exchange.

DIRECTORS' SERVICE CONTRACTS

None of the Directors offering themselves for re-election at AGM have entered into a service contract with the Company or any of its subsidiaries which is not determinable within one year without payment of compensation (other than statutory compensation).

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

There were no transactions, arrangements and contracts of significance in relation to the Group's business to which the Company's subsidiaries, its holding companies or its fellow subsidiaries was a party and in which any Director and the Director's connected party had a material interest, whether directly or indirectly, subsisted at the end of or at any time during the year.

DIRECTORS' EMOLUMENTS

Details of Directors' emoluments are set out in note 9 to the financial statements.

本公司已接獲其每位獨立非執行董事就其獨立性根據上市規則第3.13條作出之年度確認書，並認為所有獨立非執行董事根據上市規則第3.13條所載之獨立指引條款均為獨立人士。

△ 梁兆昌先生自2017年3月9日起獲委任為副主席。

蔡健鴻工程師因有意投放更多時間於其他事務承擔而自2017年3月9日起辭任執行董事一職。呂振邦先生因有意尋求其他事務及個人興趣而自2017年3月9日起辭任執行董事一職。葉澍堃先生因彼有意投放更多時間於其他個人事務而自2017年12月1日起辭任獨立非執行董事一職。黃燦光先生及俞漢度先生因彼等有意投放更多時間於其他個人事務而自2018年1月1日起辭任獨立非執行董事一職。彼等確認彼等與董事會並無分歧，亦無其他有關本公司事務之事宜須敦請本公司股東或聯交所垂注。

董事之服務合約

於即將舉行之股東周年大會上重選連任之董事概無與本公司或其任何附屬公司簽訂不可於一年內終止而毋須支付賠償(法定賠償除外)之服務合約。

董事於交易、安排或合約之權益

於本年末或本年內之任何時間，本公司之附屬公司、其控股公司或其同系附屬公司概無就本集團之業務訂立董事及董事之關連人士直接或間接擁有重大權益之交易、安排及合約。

董事酬金

董事酬金之詳情載於財務報表附註9。

DIRECTORS' REPORT

董事會報告

EQUITY-LINKED AGREEMENTS

Save for disclosed in the sections headed “Share Option Schemes”, “Convertible Securities, Options, Warrants or Similar Rights” and “Substantial Shareholders’ Interests and Short Positions in the Shares and Underlying Shares of the Company — Convertible Preference Shares” of this report, the Company has not entered into any equity-linked agreements during the year.

PERMITTED INDEMNITY PROVISIONS

Pursuant to the Bye-law 168, every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, and no Director or other officer shall be liable for any loss, damages or misfortune which may happen to or be incurred by the Company in the execution of the duties of his/her office or in relation thereto, provided that this Bye-law shall only have effect in so far as its provisions are not avoided by the Bermuda Companies Act. The Company has maintained Directors and officers liability insurance during the year.

BANK LOANS AND OTHER BORROWINGS

Analysis of bank loans and other borrowings of the Group as at 31 December 2017 is set out in note 26 to the consolidated financial statements.

MANDATORY UNCONDITIONAL CASH OFFER

The controlling shareholder of the Company has been changed to Champ Key after completion of acquisition took place on 21 November 2016.

Pursuant to Rules 26.1 and 13.5 of the Code on Takeovers and Mergers and Share Buy-backs, Champ Key and parties acting in concert are required to make mandatory unconditional cash offers for all the issued ordinary shares (other than those already owned and/or agreed to be acquired by Champ Key) (“Share Offer”) and to cancel all 7,244,000 outstanding options (“Option Offer”) (collectively, the “Offers”). As 80,000,000 CPSs were held by Champ Key as at 30 November 2016, no comparable offer would be made in respect of the CPSs.

權益掛鈎協議

除本報告「購股權計劃」、「可換股證券、購股權、認股權證或類似權利」及「主要股東於本公司股份及相關股份中擁有之權益及淡倉 — 可轉換優先股」各節所披露外，本公司概無於本年內訂立任何權益掛鈎協議。

獲准許彌償條文

根據細則第168條，各董事或其他高級職員有權就履行其職務或在其他有關方面蒙受或產生之所有虧損或負債自本公司之資產中獲得彌償，且概無董事或其他高級職員須就履行職責或與此有關而使本公司蒙受或產生之任何虧損、損失或不幸事件負責，惟該公司細則僅在未被百慕達公司法廢止之情況下有效。本公司於本年內維持董事及高級職員責任保險。

銀行貸款及其他借貸

本集團於2017年12月31日之銀行貸款及其他借貸分析載於綜合財務報表附註26。

強制性無條件現金要約

於2016年11月21日完成收購後，本公司的控股股東已變更為Champ Key。

根據公司收購、合併及股份回購守則規則26.1及13.5，Champ Key及與其一致行動人士須就所有已發行普通股股份（Champ Key已擁有及／或同意將予收購之該等股份除外）（「股份要約」）及註銷所有7,244,000份尚未行使購股權（「購股權要約」）提出強制性無條件現金要約（統稱「要約」）。由於80,000,000股可轉換優先股於2016年11月30日均由Champ Key持有，故將不會就可轉換優先股作出可資比較要約。

DIRECTORS' REPORT

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The Offers became or was declared unconditional on 13 January 2017 when the composite document was despatched.

要約於綜合文件派發日期2017年1月13日成為或宣佈為無條件。

The offer price of HK\$1.12 per ordinary share under the Share Offer and the offer prices for the Option Offer were set out as below:

股份要約項下之要約價每股普通股股份港幣1.12元及購股權要約之要約價載列如下：

- (a) 6,814,000 options may be exercised at an exercise price of HK\$0.952 per ordinary share, the offer price for these options was HK\$0.168 each;
- (b) 330,000 options may be exercised at an exercise price of HK\$0.860 per ordinary share, the offer price for these options was HK\$0.260 each; and
- (c) 100,000 options may be exercised at an exercise price of HK\$0.850 per ordinary share, the offer price for these options was HK\$0.270 each.

- (a) 6,814,000份購股權附帶之認購權可按每股普通股股份港幣0.952元之行使價行使，要約價為現金港幣0.168元；
- (b) 330,000份購股權附帶之認購權可按每股普通股股份港幣0.860元之行使價行使，要約價為現金港幣0.260元；及
- (c) 100,000份購股權附帶之認購權可按每股普通股股份港幣0.850元之行使價行使，要約價為現金港幣0.270元。

The Offers were closed on 3 February 2017.

要約已於2017年2月3日結束。

For the details, please refer to the Company's announcements dated 30 November 2016, 13 January 2017 and 3 February 2017 and the Company's composite document dated 13 January 2017 ("Composite Document").

更多詳情請參閱本公司日期為2016年11月30日、2017年1月13日及2017年2月3日之公告及本公司日期為2017年1月13日之綜合文件（「綜合文件」）。

DIRECTORS' REPORT

董事會報告

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 December 2017, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO, which were required: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered into the register referred to therein (the "Register"); or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code as set out in Appendix 10 to the Listing Rules, were as follows:

Long Positions in the Shares and Underlying Shares of the Company

Name of Directors	Capacity	Number of ordinary shares held	Number of underlying shares held	Total	Approximate percentage of interests in the total number of issued shares
董事姓名	身份	持有之普通股股份數目	持有之相關股份數目	總計	佔已發行股份總數之概約權益百分比 (Note) (附註)
Kan Fook Yee 簡福飴	Beneficial owner 實益擁有人	200,000	–	200,000	0.05%

Note: There were 424,850,000 ordinary shares of the Company in issue as at 31 December 2017.

Save as disclosed above, as at 31 December 2017, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which had been notified to the Company and the Stock Exchange or as recorded in the Register or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

董事及行政總裁於本公司及其相聯法團的股份、相關股份及債券中擁有之權益及淡倉

截至2017年12月31日，本公司董事及行政總裁於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中擁有下列權益及淡倉而須：(a)根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所(包括根據證券及期貨條例有關條文彼等被當作或視為擁有之權益及淡倉)；或(b)根據證券及期貨條例第352條須記錄於該條所指之登記冊(「登記冊」)內；或(c)根據上市規則附錄10所載之標準守則須知會本公司及聯交所：

於本公司股份及相關股份之好倉

附註：本公司截至2017年12月31日之已發行普通股股份為424,850,000股。

除上文所披露者外，截至2017年12月31日，本公司董事或行政總裁概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中擁有任何權益或淡倉而知會本公司及聯交所或記錄於登記冊內，或根據標準守則須知會本公司及聯交所。

DIRECTORS' REPORT

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SHARE OPTION SCHEMES

At the 2013 AGM, the shareholders approved the adoption of a new share option scheme (the “New Option Scheme”) and the termination of the share option scheme, which was adopted on 19 September 2003 (the “Old Option Scheme”). Share options granted under the Old Option Scheme remain effective. Details of the Old Option Scheme and the New Option Scheme as required to be disclosed under Chapter 17 of the Listing Rules are set out below:

(1) Summary of the Old Option Scheme

(a) Purpose of the Old Option Scheme

The Old Option Scheme was set up for the purpose of recognising and motivating the contribution of the Eligible Persons (as defined below) to the Company and/or any of its subsidiaries and/or any Invested Entity (as defined below).

(b) Participants of the Old Option Scheme

Eligible persons entitled to participate in the Old Option Scheme (the “Eligible Persons”) include:

- (i) any employee (whether full-time or part-time) of the Company, any of its subsidiaries, or any entity in which the Company or any of its subsidiaries holds an equity interest (the “Invested Entity”); including any executive director of the Company, any of its subsidiaries or any Invested Entity and any employee employed or to be employed by the Company, any of its subsidiaries or any Invested Entity, whether in Hong Kong or in The People's Republic of China;
- (ii) any non-executive director (including any independent non-executive director) of the Company, any of its subsidiaries or any Invested Entity;
- (iii) any shareholder of the Company, any of its subsidiaries or any Invested Entity or any holder of any securities issued by the Company, any of its subsidiaries or any Invested Entity who had, in the opinion of the Board, made contribution to the business growth of the Company, any of its subsidiaries or any Invested Entity;

購股權計劃

在2013年股東周年大會上，股東批准採納新購股權計劃（「新購股權計劃」）及終止於2003年9月19日採納之購股權計劃（「舊購股權計劃」）。根據舊購股權計劃授出之購股權仍為有效。根據上市規則第17章規定須予披露有關舊購股權計劃及新購股權計劃之詳情載列如下：

(1) 舊購股權計劃之摘要

(a) 舊購股權計劃之目的

舊購股權計劃旨在表彰及激勵合資格人士（定義見下文）為本公司及／或其任何附屬公司及／或任何投資實體（定義見下文）作出貢獻。

(b) 舊購股權計劃之參與人士

可參與舊購股權計劃之合資格人士（「合資格人士」）包括：

- (i) 本公司、其任何附屬公司，或本公司或其任何附屬公司持有股本權益之任何實體（「投資實體」）之任何僱員（不論全職或兼職），包括本公司、其任何附屬公司或任何投資實體之任何執行董事，及本公司、其任何附屬公司或任何投資實體（不論於香港或中華人民共和國）僱用或將僱用之任何僱員；
- (ii) 本公司、其任何附屬公司或任何投資實體之任何非執行董事（包括任何獨立非執行董事）；
- (iii) 本公司、其任何附屬公司或任何投資實體之任何股東或本公司、其任何附屬公司或任何投資實體所發行任何證券之持有人，而董事會認為其對本公司、其任何附屬公司或任何投資實體之業務發展有所貢獻者；

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- | | |
|---|---|
| <p>(iv) any person or entity that provides research, development or other technological support to the Company, any of its subsidiaries or any Invested Entity;</p> | <p>(iv) 向本公司、其任何附屬公司或任何投資實體提供研究、開發或其他技術支援之任何人士或實體；</p> |
| <p>(v) any supplier of goods and/or services to the Company, any of its subsidiaries or any Invested Entity;</p> | <p>(v) 本公司、其任何附屬公司或任何投資實體的任何貨品及／或服務供應商；</p> |
| <p>(vi) any business collaborator, business consultant, joint venture or business partner, or technical, financial, legal and other professional advisers engaged by the Company, any of its subsidiaries or any Invested Entity;</p> | <p>(vi) 本公司、其任何附屬公司或任何投資實體所委聘之任何業務合作方、業務顧問、合資公司或業務夥伴、或技術、財務、法律及其他專業顧問；</p> |
| <p>(vii) any associate (as defined under the Listing Rules) of the directors or the substantial shareholders of the Company, any of its subsidiaries or any Invested Entity who had, in the opinion of the Board, made contribution to the business growth of the Company, any of its subsidiaries or any Invested Entity; or</p> | <p>(vii) 本公司、其任何附屬公司或任何投資實體之董事或主要股東之任何聯繫人(定義見上市規則)，而董事會認為其對本公司、其任何附屬公司或任何投資實體之業務發展有所貢獻者；或</p> |
| <p>(viii) the trustee of any trust pre-approved by the Board, the beneficiary (or in case of discretionary trust, the discretionary objects) of which included any of the above-mentioned persons,</p> | <p>(viii) 經董事會預先批准之任何信託之受託人，其受益人(或倘為全權信託，則為受益對象)包括任何上述人士。</p> |

and, for the purposes of the Old Option Scheme, the options might be granted to any company wholly-owned by one or more of the above Eligible Persons.

及根據舊購股權計劃，購股權可獲授予任何一名或以上之上述合資格人士全資擁有之任何公司。

(c) Number of shares available for issue under the Old Option Scheme

During the year, (i) 4,686,000 options were exercised; (ii) no options were lapsed, granted and cancelled by the Company. As at the date of this report, there are no outstanding options.

(c) 根據舊購股權計劃可發行之股份數目

本年內，(i) 4,686,000份購股權獲行使；(ii) 概無購股權失效及本公司概無授出或註銷購股權。截至本報告日期，概無尚未行使購股權。

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(d) Maximum entitlement of each Eligible Person under the Old Option Scheme

No option might be granted to any one Eligible Person in any 12-month period which, if exercised in full, would result in the total number of shares already issued to such Eligible Person under all the options previously granted to him/her which had been exercised and, issuable to him/her under all the options previously granted to him/her which were for the time being subsisting and unexercised, exceeding 1% of the share capital of the Company in issue on the last date of such 12-month period unless being approved by the shareholders of the Company in a general meeting.

Where any proposed grant of option to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates (as defined in the Listing Rules), would result in the shares issued and to be issued upon exercise of all options already granted (including options exercised, cancelled and outstanding) and to be granted to such person in the 12-month period up to and including the date of the proposed grant:

- (i) representing in aggregate over 0.1% of the total number of shares in issue for the time being; and
- (ii) the aggregate value of which, based on the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the date of the proposed grant, was in excess of HK\$5.0 million,

such proposed grant of option shall be subject to the prior approval of the shareholders of the Company at a general meeting in which all connected persons for the time being of the Company (if any) (except where any connected person intends to vote against the proposed grant of option and his/her intention to do so has been stated in the circular) should abstain from voting at such general meeting and at which any vote taken should be taken on a poll.

(d) 舊購股權計劃下每位合資格人士可獲授購股權之上限

倘於任何12個月期間內向任何一位合資格人士授出之購股權獲悉數行使時，會導致該合資格人士因過往獲授及已行使之所有購股權而獲發行的股份，及過往獲授仍有效且未行使之所有購股權而可予發行之股份，合計總數超過於該12個月期間最後一日之本公司已發行股本之1%，則不可向該合資格人士授出購股權，惟於股東大會上獲本公司股東批准則除外。

倘向本公司之主要股東或獨立非執行董事或彼等各自之任何聯繫人（定義見上市規則）建議授出購股權，而將會導致於截至（及包括）建議授出日期止12個月期間向該人士已授出（包括已行使、註銷及未行使之購股權）及將授出之所有購股權獲行使而已發行及將予發行之股份：

- (i) 合共超過當時已發行股份總數之0.1%；及
- (ii) 根據於建議授出日期聯交所發出之每日報價表所載股份之收市價計算，總值超過港幣5,000,000元，

則授出購股權的建議須事先獲得本公司股東於股東大會上批准，而本公司當時的所有關連人士（如有）不得於該股東大會上投票（惟擬投票反對該項授出購股權建議並已在通函中表明其意向的任何關連人士除外），及該股東大會須以投票表決方式進行表決。

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(e) Period for and payment on acceptance of an option

An offer for grant of an option must be accepted by an Eligible Person (and by no other person except the Eligible Person) in respect of all the shares for which the offer is made. Acceptance should be made by such Eligible Person by signing and returning the duplicate of the offer letter together with the payment of a consideration of HK\$1.00 for such grant to the Company within the time period specified in the offer letter.

(f) The basis of determining the subscription price

The subscription price in respect of any option granted under the Old Option Scheme should be a price determined by the Board and notified to each grantee and should not be less than the highest of (i) the nominal value of a share; (ii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date on which an offer for grant of an option (the "Old Offer Date") was made to an Eligible Person; and (iii) the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the Old Offer Date which must be a business day, provided that the subscription price shall be rounded upwards to the nearest whole cent.

(g) Minimum period for holding an option before exercise

There was no minimum holding period for which an option must be held before exercise pursuant to the Old Option Scheme. The commencement date of an option period should be specified by the Board in the relevant offer letter.

(h) Remaining life

The Old Option Scheme was terminated pursuant to resolutions passed by the shareholders on 17 June 2013.

(e) 接納購股權之期限及付款

合資格人士(不可為該合資格人士以外的其他人士)可就其獲授之購股權下全部股份接納有關授出購股權的要約。接納要約須於要約函件指定時限內，由該合資格人士將要約函件副本正式簽妥並連同港幣1.00元作為有關授出之代價交回本公司。

(f) 釐定認購價之基準

根據舊購股權計劃所授出任何購股權的認購價須由董事會釐定及通知各承授人，惟不得低於下列三者中的最高者：(i) 股份之面值；(ii) 於緊接授出購股權要約予合資格人士日期(「舊要約日期」)前5個營業日股份在聯交所每日報價表所載之平均收市價；及(iii) 於舊要約日期(必須為營業日)股份在聯交所每日報價表所載之收市價，惟認購價不足1仙的金額亦作1仙計算。

(g) 購股權行使前須持有之最短期限

根據舊購股權計劃，購股權於行使前並無須持有之最短期限。購股權可能獲行使之期間的開始日期由董事會於有關要約函件內訂明。

(h) 餘下期限

舊購股權計劃已根據於2013年6月17日由股東通過之決議案終止。

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(2) Summary of the New Option Scheme

(a) Purpose of the New Option Scheme

The New Option Scheme is set up for the purpose of recognising and motivating the contribution of the Eligible Persons (as defined below) to the Company and/or any of its subsidiaries and/or any Invested Entity (as defined below).

(b) Participants of the New Option Scheme

Eligible persons entitled to participate in the New Option Scheme (the "Eligible Persons") include:

- (i) any employee (whether full time or part time) of the Company, any of its subsidiaries, or any entity in which the Company or any of its subsidiaries holds an equity interest (the "Invested Entity"); including any executive director of the Company, any of its subsidiaries or any Invested Entity and any employee employed or to be employed by the Company, any of its subsidiaries or any Invested Entity, whether in Hong Kong or in The People's Republic of China;
- (ii) any non-executive director (including any independent non-executive director) of the Company, any of its subsidiaries or any Invested Entity;
- (iii) any shareholder of the Company, any of its subsidiaries or any Invested Entity or any holder of any securities issued by the Company, any of its subsidiaries or any Invested Entity who has, in the opinion of the Board, made contribution to the business growth of the Company, any of its subsidiaries or any Invested Entity;
- (iv) any person or entity that provides research, development or other technological support to the Company, any of its subsidiaries or any Invested Entity;
- (v) any supplier of goods and/or services to the Company, any of its subsidiaries or any Invested Entity;

(2) 新購股權計劃之摘要

(a) 新購股權計劃之目的

新購股權計劃之設立旨在表彰及激勵合資格人士(定義見下文)為本公司及／或其任何附屬公司及／或任何投資實體(定義見下文)作出之貢獻。

(b) 新購股權計劃之參與人士

可參與新購股權計劃之合資格人士(「合資格人士」)包括：

- (i) 本公司、其任何附屬公司、或本公司或其任何附屬公司持有股本權益之任何實體(「投資實體」)之任何僱員(不論全職或兼職)，包括本公司、其任何附屬公司或任何投資實體之任何執行董事，及本公司、其任何附屬公司或任何投資實體(不論於香港或中華人民共和國)僱用或將僱用之任何僱員；
- (ii) 本公司、其任何附屬公司或任何投資實體之任何非執行董事(包括任何獨立非執行董事)；
- (iii) 本公司、其任何附屬公司或任何投資實體之任何股東或本公司、其任何附屬公司或任何投資實體所發行任何證券之持有人，而董事會認為其對本公司、其任何附屬公司或任何投資實體之業務發展有所貢獻者；
- (iv) 向本公司、其任何附屬公司或任何投資實體提供研究、開發或其他技術支援之任何人士或實體；
- (v) 本公司、其任何附屬公司或任何投資實體的任何貨品及／或服務供應商；

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- (vi) any business collaborator, business consultant, joint venture or business partner, or technical, financial, legal and other professional advisers engaged by the Company, any of its subsidiaries or any Invested Entity;
- (vii) any associate (as defined under the Listing Rules) of the directors or the substantial shareholders of the Company, any of its subsidiaries or any Invested Entity who has, in the opinion of the Board, made contribution to the business growth of the Company, any of its subsidiaries or any Invested Entity; or
- (viii) the trustee of any trust pre-approved by the Board, the beneficiary (or in case of discretionary trust, the discretionary objects) of which includes any of the above-mentioned persons,

and, for the purposes of the New Option Scheme, the options may be granted to any company wholly owned by one or more of the above Eligible Persons.

(c) Maximum Number of shares available for issue under the New Option Scheme

At 2013 AGM, the scheme mandate limit for the New Option Scheme to allow the Company to issue a maximum of 33,200,000 options under the New Option Scheme, representing approximately 7.81% of the total number of issued shares of the Company (i.e. 424,850,000 ordinary shares) as at 27 March 2018.

During the year, (i) 100,000 options were exercised; and (ii) no options were lapsed, granted and cancelled by the Company. As at the date of this report, there are no outstanding options and the maximum number of shares available for issue under the New Option Scheme is 29,600,000, representing approximately 6.97% of the total number of issued shares of the Company (i.e. 424,850,000 ordinary shares) as at 27 March 2018.

- (vi) 與本公司、其任何附屬公司或任何投資實體已訂約之任何業務合作方、業務顧問、合資公司或業務夥伴、或技術、財務、法律及其他專業顧問；
- (vii) 本公司、其任何附屬公司或任何投資實體之董事或主要股東之任何聯繫人(定義見上市規則)，而董事會認為其對本公司、其任何附屬公司或任何投資實體之業務發展有所貢獻者；或
- (viii) 經董事會預先批准之任何信託之受託人，其受益人(或倘為全權信託，則為受益對象)包括任何上述人士，

及就新購股權計劃而言，購股權可授予任何一名或以上之上述合資格人士全資擁有之任何公司。

(c) 根據新購股權計劃可發行之股份數目上限

在2013年股東周年大會上，新購股權計劃之計劃授權限額允許本公司根據新購股權計劃最多發行33,200,000份購股權，佔本公司於2018年3月27日已發行股份總數(即424,850,000股普通股股份)約7.81%。

本年內，(i)100,000份購股權獲行使；及(ii)概無購股權失效，獲本公司授出及註銷。於本報告日期，概無未行使購股權，而根據新購股權計劃可發行之股份數目上限為29,600,000股，佔本公司於2018年3月27日已發行股份總數(即424,850,000股普通股股份)約6.97%。

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(d) Maximum entitlement of each Eligible Person under the New Option Scheme

No option may be granted to any one Eligible Person in any 12-month period which, if exercised in full, would result in the total number of shares already issued to such Eligible Person under all the options previously granted to him/her which have been exercised and, issuable to him/her under all the options previously granted to him/her which are for the time being subsisting and unexercised, exceeding 1% of the share capital of the Company in issue on the last date of such 12-month period unless being approved by the shareholders of the Company in a general meeting.

Where any proposed grant of option to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates (as defined in the Listing Rules), would result in the shares issued and to be issued upon exercise of all options already granted (including options exercised, cancelled and outstanding) and to be granted to such person in the 12-month period up to and including the date of the proposed grant:

- (i) representing in aggregate over 0.1% of the total number of shares in issue for the time being; and
- (ii) the aggregate value of which, based on the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the date of the proposed grant, is in excess of HK\$5.0 million, such proposed grant of option shall be subject to the prior approval of the shareholders of the Company at a general meeting in which all connected persons for the time being of the Company (if any) (except where any connected person intends to vote against the proposed grant of option and his/her intention to do so has been stated in the circular) shall abstain from voting at such general meeting and at which any vote taken shall be taken on a poll.

(d) 新購股權計劃項下每位合資格人士可獲授購股權之上限

倘於任何12個月期間內向任何一位合資格人士授出之購股權獲悉數行使時，會導致該合資格人士因過往獲授及已行使之所有購股權而獲發行的股份，及過往獲授仍有效且未行使之所有購股權而須予發行之股份，合計總數超過於該12個月期間最後一日之本公司已發行股本之1%，則不可向該合資格人士授出有關購股權，惟經本公司股東於股東大會上批准則除外。

倘向本公司之主要股東或獨立非執行董事或彼等各自之任何聯繫人（定義見上市規則）建議授出購股權，而將會導致於截至（及包括）建議授出日期止12個月期間向該人士已授出（包括已行使、註銷及未行使之購股權）及將授出之所有購股權獲行使而已發行及將予發行之股份：

- (i) 合共超過當時已發行股份總數之0.1%；及
- (ii) 根據於建議授出日期聯交所發出之每日報價表所載股份之收市價計算，總值超過港幣5,000,000元，則授出購股權的建議須事先獲得本公司股東於股東大會上批准，而本公司當時的所有關連人士（如有）不得於該股東大會上投票（惟擬投票反對該項授出購股權建議並已在通函中表明其意向的任何關連人士除外），及該股東大會須以投票表決方式進行表決。

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(e) Period for and payment on acceptance of an option

An offer for grant of an option must be accepted by an Eligible Person (and by no other person) in respect of all the shares for which the offer is made. Acceptance shall be made by such Eligible Person by signing and returning the duplicate of the offer letter together with the payment of a consideration of HK\$1.00 for such grant to the Company within the time period specified in the offer letter.

(f) The basis of determining the subscription price

The subscription price in respect of any option granted under the New Option Scheme shall be a price determined by the Board and notified to each grantee and shall not be less than the highest of (i) the nominal value of a share; (ii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date on which an offer for grant of an option (the "New Offer Date") is made to an Eligible Person; and (iii) the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the New Offer Date which must be a business day, provided that the subscription price shall be rounded upwards to the nearest whole cent.

(g) Minimum period for holding an option before exercise

There is no minimum holding period for which an option must be held before exercise pursuant to the New Option Scheme. The commencement date of the period during which an option may be exercised shall be specified by the Board in the relevant offer letter.

(h) Remaining life

The New Option Scheme shall be valid and effective for a period of ten years commencing on 17 June 2013, the date of adoption of the New Option Scheme, unless otherwise terminated in accordance with the rules of the New Option Scheme.

(e) 接納購股權之期限及付款

合資格人士(及並無其他人士)可就其獲授之購股權下全部股份接納有關授出購股權的要約。接納要約須於要約函件指定時限內,由該合資格人士將要約函件副本正式簽妥並連同港幣1.00元作為有關授出之代價交回本公司。

(f) 釐定認購價之基準

根據新購股權計劃所授出任何購股權的認購價須由董事會釐定及通知各承授人,惟不得低於下列三者中的最高者:(i)股份之面值;(ii)於緊接授出購股權要約予合資格人士日期(「新要約日期」)前5個營業日股份在聯交所每日報價表所載之平均收市價;及(iii)於新要約日期(必須為營業日)股份在聯交所每日報價表所載之收市價,惟認購價不足1仙的金額亦作1仙計算。

(g) 購股權行使前須持有之最短期限

根據新購股權計劃,購股權於行使前並無須持有之最短期限。購股權可獲行使之期間的開始日期應由董事會於有關要約函件內訂明。

(h) 餘下期限

除根據新購股權計劃之規則予以終止外,新購股權計劃由2013年6月17日(即採納新購股權計劃之日期)起計十年期間內生效及維持有效。

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(3) Movements in Options

Details of movements in the share options under the Old Option Scheme and the New Option Scheme, and the share options outstanding at the beginning and the year ended 31 December 2017 are set out as follows:

Name of grantees	Date of grant (dd/mm/yyyy)	Number of share options held as at 1 January 2017	Changes during the year 本年內變動				Number of share options held as at 31 December 2017	Exercise price per share (HK\$)	Exercisable period (dd/mm/yyyy)	Closing price per share immediately before date of grant of share options (HK\$)	Weighted average price of closing price per share immediately before date of exercise of share options (HK\$)
			Granted	Exercised	Lapsed	Cancelled					
承授人姓名	授出日期 (日/月/年)	於2017年1月1日持有之購股權數目	授出	行使	失效	註銷	於2017年12月31日持有之購股權數目	每股行使價 (港幣元)	行使期 (日/月/年)	緊接購股權授出日前的每股收市價 (港幣元)	緊接購股權行使日前的每股加權平均收市價 (港幣元)
Directors											
董事											
Terence Leung Siu Cheong 梁兆昌	27/05/2013	600,000 ²	-	(600,000)	-	-	-	0.952	27/05/2017-27/05/2019	0.94	1.62
Kan Fook Yee 簡福船	27/05/2013	200,000 ³	-	(200,000)	-	-	-	0.952	27/05/2015-27/05/2017	0.94	1.54
Ex-directors											
前董事											
Stephen Ip Shu Kwan ⁵ 葉澍堃 ⁶	27/05/2013	300,000 ⁴	-	(300,000)	-	-	-	0.952	27/05/2014-27/05/2017	0.94	1.54
	16/10/2013	100,000	-	(100,000)	-	-	-	0.850	16/10/2013-15/10/2018	0.85	1.50
Employees (in aggregate)											
僱員(總數)	07/06/2011	196,000 ¹	-	(196,000)	-	-	-	0.860	07/06/2014-06/06/2017	0.85	1.59
	27/05/2013	3,390,000 ⁵	-	(3,390,000)	-	-	-	0.952	27/05/2015-27/05/2019	0.94	1.57
		4,786,000	-	(4,786,000)	-	-	-				

Notes:

- Share options were vested in equal portions on 7 June 2014, 2015 and 2016 respectively.
- Share options were or will be vested in equal portions on 27 May 2017 and 2018 respectively. The unvested options became exercisable within a 30-day period after the date on which the Option Offer became or was declared unconditional (i.e. the date of the despatch of the Composite Document, 13 January 2017) according to Rules 6.3(c) and 7(b) of the Old Option Scheme. All share options were exercised on 26 January 2017, which is within a 30-day period after the commencement of the Option Offer.
- Share options were vested in equal portions on 27 May 2015 and 2016 respectively.

附註:

- 購股權分別已於2014年、2015年及2016年6月7日按同等份數歸屬。
- 購股權分別已於或將於2017年及2018年5月27日按同等份數歸屬。根據舊購股權計劃規則第6.3(c)及7(b)條，未歸屬購股權於購股權要約成為或宣佈為無條件當日(即2017年1月13日派發之綜合文件)後30日期間內可予行使。所有購股權已於2017年1月26日(即購股權要約開始後30日內)獲行使。
- 購股權分別已於2015年及2016年5月27日按同等份數歸屬。

DIRECTORS' REPORT

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- | | | | |
|---|--|---|---|
| 4 | Share options were vested in equal portions on 27 May 2014, 2015 and 2016 respectively. | 4 | 購股權分別已於2014年、2015年及2016年5月27日按同等份數歸屬。 |
| 5 | Share options were or will be vested in equal portions on 27 May 2015, 2016, 2017 and 2018 respectively. The unvested options became exercisable within a 30-day period after the date on which the Option Offer became or was declared unconditional (i.e. the date of the despatch of the Composite Document, 13 January 2017) according to Rules 6.3(c) and 7(b) of the Old Option Scheme. All share options were exercised on 26 January 2017, which is within a 30-day period after the commencement of the Option Offer. | 5 | 購股權分別已於或將於2015年、2016年、2017年及2018年5月27日按同等份數歸屬。根據舊購股權計劃規則第6.3(c)及7(b)條，未歸屬購股權於購股權要約成為或宣佈為無條件當日(即2017年1月13日派發之綜合文件)後30日期間內可予行使。所有購股權已於2017年1月26日(即購股權要約開始後30日內)獲行使。 |
| 6 | Mr. Stephen Ip Shu Kwan resigned as an Independent Non-executive Director with effect from 1 December 2017. | 6 | 葉澍堃先生自2017年12月1日起已辭任獨立非執行董事。 |

(4) Fair Value of Share Options Granted

The fair value of share options granted for the year ended 31 December 2017 is set out in note 10 to the financial statements.

(4) 已授出購股權的公允值

截至2017年12月31日止年度已授出購股權的公允值載於財務報表附註10。

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

During the year, the Company has the New Option Scheme pursuant to which options may be granted, inter alia, to the Directors. Details of such schemes and the movements in options are set out in the paragraphs entitled "Share Option Schemes" above. Further details of options granted and/or shares allotted or transferred to the Directors are disclosed in the paragraph entitled "Directors' and Chief Executives' Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company and Its Associated Corporations" and note 10 to the financial statements.

Save as disclosed above, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

董事認購股份或債券之權利

於本年內，本公司擁有新購股權計劃，據此，本公司可授出購股權予(其中包括)董事。有關計劃及購股權之變動之詳情載於上文「購股權計劃」一段。向董事所授出購股權及/或所配發或轉讓股份之進一步詳情披露於「董事及行政總裁於本公司及其相聯法團的股份、相關股份及債券中擁有之權益及淡倉」一段及財務報表附註10。

除上文所披露者外，本公司或其任何附屬公司於本年內任何時間概無訂立任何安排，致使董事可透過購買本公司或任何其他法人團體之股份或債券而從中獲取利益。

DIRECTORS' REPORT

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DIRECTOR'S INTEREST IN COMPETING BUSINESS

As at 27 March 2018, a Director had the following interests in business which competed or were likely to compete, either directly or indirectly, with the Group's business:

董事於競爭業務之權益

截至2018年3月27日，一名董事於以下與本集團業務直接或間接構成競爭或可能構成競爭之業務中擁有權益：

Name of Director 董事姓名	Name of company 公司名稱	Nature of business 業務性質	Nature of interests 權益性質
Mr. Terence Leung Siu Cheong	新昌營造建築有限公司 (Hsin Chong Construction Co. Ltd.)* (a wholly foreign owned enterprise in the PRC)	Building construction and civil engineering	Being the legal representative and a director of Hsin Chong Construction Co. Ltd.*
梁兆昌先生	(中國外商獨資企業)	樓宇建造及土木工程	為新昌營造建築有限公司 的法定代表人及董事

Note: Although Mr. Terence Leung Siu Cheong has competing interests in Hsin Chong Construction Co. Ltd.* by virtue of his common directorship, the Directors consider that such competition, if any, is neither significant nor material to the Group as a whole. Furthermore, Mr. Terence Leung Siu Cheong will fulfil his fiduciary duties in order to ensure that he will act in the best interest of the shareholders and the Company as a whole at all times. Hence, the Group is capable of carrying on its businesses independently of, and at arm's length from, the businesses of such companies.

附註：雖然梁兆昌先生因共同董事職務而於新昌營造建築有限公司擁有競爭權益，董事認為有關競爭（如有）整體上對本集團而言並不重要或重大。此外，梁兆昌先生將履行其受信責任，以確保其於任何時間均以股東及本公司的整體最佳利益行事。因此，本集團能夠獨立於上述公司的業務而公平地經營業務。

Save as disclosed above, none of the Directors (excluding Independent Non-executive Directors) nor their respective associates had any interest in business which competes or is likely to compete, either directly or indirectly, with the business of the Group for the year ended 31 December 2017.

除上文披露者外，董事（不包括獨立非執行董事）或其各自的聯繫人於截至2017年12月31日止年度概無擁有與本集團業務直接或間接構成競爭或可能構成競爭的業務之權益。

* for identification purposes only

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CONVERTIBLE SECURITIES, OPTIONS, WARRANTS OR SIMILAR RIGHTS

The Company issued and allotted 80,000,000 CPSs, as part of the consideration for the acquisition of ISP business in late 2012. The CPSs are convertible into the ordinary shares at HK\$0.75 per share subject to satisfaction of the minimum public float requirements under the Listing Rules. As at 31 December 2017, none of the CPSs was converted nor redeemed.

Save as above and other than the share option schemes described in the paragraph titled "Share Option Scheme" above and in note 10 to the financial statements, the Company had no outstanding convertible securities, options, warrants or similar rights at 31 December 2017. There was no issue or exercise of any convertible securities, options, warrants or similar rights during the year.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year.

RETIREMENT SCHEMES

The Group participated in mandatory provident fund schemes in Hong Kong and in the municipal government contribution scheme in Mainland China. Particulars of the retirement schemes are set out in note 2.17(c) to the financial statements.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 December 2017, the following person/entities (other than Directors or chief executive of the Company) had or were deemed or taken to have interests or short positions in the shares and underlying shares of the Company as recorded in the register of interests and short positions of substantial shareholders (the "Register of Substantial Shareholders") required to be kept by the Company pursuant to section 336 of the SFO:

可換股證券、購股權、認股權證或類似權利

本公司發行及配發80,000,000股可轉換優先股股份，作為於2012年年末收購室內裝飾及特殊項目業務之部份代價。可轉換優先股可按每股港幣0.75元轉換為普通股，惟須符合上市規則規定之最低公眾持股量。截至2017年12月31日，概無轉換或贖回可轉換優先股。

除上文及上述「購股權計劃」一段及財務報表附註10所述之購股權計劃外，於2017年12月31日，本公司概無任何尚未發行之可換股證券、購股權、認股權證或類似權利。本年內，概無任何可換股證券、購股權、認股權證或類似權利獲發行或行使。

管理合約

本年內，概無就本公司全部或任何主要業務部份訂立或訂有任何管理及行政合約。

退休計劃

本集團參與香港強制性公積金計劃及中國內地市級政府供款計劃。該等退休計劃詳情載於財務報表附註2.17(c)。

主要股東於本公司股份及相關股份中擁有之權益及淡倉

截至2017年12月31日，根據證券及期貨條例第336條本公司須予存置之主要股東權益及淡倉登記冊（「主要股東登記冊」）所記錄，下列人士／實體（本公司董事或行政總裁除外）於本公司股份及相關股份中擁有或被視為擁有權益或淡倉：

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Long Positions in the Shares and Underlying Shares of the Company

於本公司股份及相關股份之好倉

(a) Ordinary Shares

(a) 普通股股份

Name of Shareholders	Capacity	Number of ordinary shares held	Approximate percentage of interests in the total number of issued shares
股東名稱	身份	持有之普通股股份數目	佔已發行股份總數之概約權益百分比 (Note (ii)) (附註(ii))
Chu Yuet Wah	Interests of controlled corporation(s)	225,518,633 (Note (i))	53.08%
李月華	受控法團權益	(附註(i))	
Champ Key	Beneficial owner	225,518,633	53.08%
	實益擁有人		

Notes:

- (i) Champ Key being a company wholly-owned by Mrs. Chu Yuet Wah is deemed to be a controlled corporation of Mrs. Chu Yuet Wah under the SFO.
- (ii) There were 424,850,000 ordinary shares of the Company in issue as at 31 December 2017.

附註：

- (i) 根據證券及期貨條例，Champ Key（李月華女士全資擁有之公司）被視為李月華女士之受控法團。
- (ii) 本公司截至2017年12月31日之已發行普通股股份為424,850,000股。

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(b) Convertible Preference Shares

(b) 可轉換優先股

Name of Shareholders	Capacity	Number of convertible preference shares held	Approximate percentage of interests in the total number of issued shares
股東名稱	身份	持有之可轉換優先股數目	佔已發行股份總數之概約權益百分比 (Note (ii)) (附註 (ii))
Chu Yuet Wah	Interests of controlled corporation(s)	80,000,000	100%
李月華	受控法團權益	(Note (i)) (附註 (i))	
Champ Key	Beneficial owner	80,000,000	100%
	實益擁有人		

Notes:

- (i) The Company issued and allotted 80,000,000 CPSs to Smart Lane Holdings Limited ("Smart Lane"), as part of the consideration for the acquisition of ISP business in late 2012. As disclosed in the joint announcement of Champ Key and the Company dated 30 November 2016, Champ Key (a company wholly-owned by Mrs. Chu Yuet Wah) as the offeror entered into the sale and purchase agreement with Smart Lane as the vendor of the sale and purchase of 169,116,777 ordinary shares and the 80,000,000 CPSs. Champ Key being a company wholly-owned by Mrs. Chu Yuet Wah is deemed to be a controlled corporation of Mrs. Chu Yuet Wah under the SFO.
- (ii) There were 80,000,000 CPSs of the Company in issue as at 31 December 2017.

附註：

- (i) 本公司向Smart Lane Holdings Limited (「Smart Lane」)發行及配發80,000,000股可轉換優先股股份，作為於2012年年末收購室內裝飾及特殊項目業務之部份代價。誠如Champ Key及本公司日期為2016年11月30日之聯合公告所披露，由李月華女士全資擁有之公司Champ Key(作為要約人)與Smart Lane(作為買賣169,116,777股普通股及80,000,000可轉換優先股之賣方)訂立買賣協議。根據證券及期貨條例，Champ Key(李月華女士全資擁有之公司)被視為李月華女士之受控制法團。
- (ii) 本公司截至2017年12月31日之已發行可轉換優先股股份為80,000,000股。

Save as disclosed above, as at 31 December 2017, the Directors were not aware of any persons/entities (other than Directors or chief executive of the Company) who/which had or were deemed or taken to have any other interests or short position in the shares or underlying shares of the Company as recorded in the Register of Substantial Shareholders required to be kept by the Company pursuant to section 336 of the SFO.

除上文所披露者外，於2017年12月31日，董事並無獲悉任何人士／實體(本公司董事或行政總裁除外)於本公司股份及相關股份中擁有或被視為擁有記錄於本公司根據證券及期貨條例第336條須予存置之主要股東登記冊之任何其他權益或淡倉。

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CONTINUING CONNECTED TRANSACTIONS

During the year, the Company and/or its subsidiaries had entered into the following continuing connected transaction which is subject to annual review and reporting requirements under Chapter 14A of the Listing Rules:

The Company entered into a General Business Services Master Agreement on 8 September 2017 with Mrs. Chu Yuet Wah, pursuant to which the Group is the services provider. The annual cap for the General Business Services Master Agreement for the year ended 31 December 2017 was HK\$5,700,000. Details of the transaction were disclosed in the announcement of the Company dated 8 September 2017.

持續關連交易

本年內，本公司及／或其附屬公司已訂立下列須遵守上市規則第14A章之年度審核及申報規定的持續關連交易：

於2017年9月8日，本公司與李月華女士訂立一般業務服務總協議，據此本公司為服務供應商。截至2017年12月31日止年度，一般業務服務總協議的年度上限為港幣5,700,000元。交易詳情於本公司日期為2017年9月8日的公告內披露。

Connected person(s) 關連人士	Date of agreement(s) 協議日期	Terms 期限	Particulars 詳情	Consideration		Nature and extent of the connected person's interest 關連人士權益性質及範圍
				Annual cap 年度上限 (HK\$) (港幣元)	for the Period 該期間代價 (HK\$) (港幣元)	
Mrs. Chu	General Business Services Master Agreement dated 8 September 2017	The period from 8 September 2017 to 31 December 2019 (both days inclusive) ("the Period")	Provision of the general business services, including but not limited to, the property and assets management, real estate advisory services, fitting-out works, renovation works, general consultancy and other ancillary services, by relevant members of the Group to Mrs. Chu and/or her associates	5,700,000	1,759,581	Mrs. Chu Yuet Wah is a substantial shareholder and controlling shareholder of the Company and hence, a connected person under the Listing Rules.
李女士	日期為2017年9月8日之一般業務服務總協議	自2017年9月8日起至2019年12月31日止期間(包括首尾兩日)(「該期間」)	本集團有關成員公司向李女士及／或其聯繫人提供一般業務服務，包括但不限於物業及資產管理、房地產諮詢服務、裝修工程、翻新工程、一般諮詢及其他輔助服務			李月華女士為本公司之主要股東及控股股東，因而為上市規則下之關連人士。

The Directors (including the Independent Non-executive Directors) have reviewed and confirmed that all the continuing connected transactions mentioned above conducted in the year were entered into on the following basis:

- (a) in the ordinary and usual course of the business of the Group;
- (b) on normal commercial terms or better; and
- (c) according to the relevant agreements governing these transactions on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

董事(包括獨立非執行董事)已審閱並確認上文所述本年度進行的所有持續關連交易乃按照下列原則進行：

- (a) 於本集團日常及一般業務範圍內進行；
- (b) 按照一般商業條款或更好的條款；及
- (c) 根據監管該等交易的相關協議按公平合理並符合本公司股東整體利益的條款訂立。

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The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unqualified letter containing the findings and conclusions in respect of the continuing connected transactions disclosed by the Group as above in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

In addition, the auditor of the Company has confirmed to the Board that nothing has come to their attention that causes them to believe that the above continuing connected transactions for the year ended 31 December 2017:

- (a) have not been approved by the Board;
- (b) were not, in all material respects, in accordance with the pricing policies of the Group where the transactions involve the provision of services by the Group;
- (c) were not entered into, in all material respects, in accordance with the relevant agreements governing the transactions; and
- (d) have not exceeded the relevant annual caps as disclosed in the respective previous announcements of the Company.

The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules in respect of the continuing connected transactions mentioned above.

根據香港會計師公會發佈的香港鑒證業務準則 3000 號「歷史財務資料審核或審閱以外的鑒證工作」並參考實務說明 740 號「香港上市規則規定的持續關連交易的核數師函件」，本公司核數師已受聘對本集團持續關連交易作出報告。根據上市規則第 14A.56 條，核數師已就本集團披露的上述持續關連交易，發出無保留意見的函件，並載有其發現和結論。本公司已將核數師函件副本向聯交所提供。

此外，本公司之核數師已向董事會確認，彼等並不知悉任何事項使彼等相信上述截至 2017 年 12 月 31 日止年度之持續關連交易：

- (a) 並無獲董事會批准；
- (b) 於所有重大方面並不符合本集團有關涉及本集團提供服務之交易之定價政策；
- (c) 於所有重大方面並無根據規管該等交易之相關協議訂立；及
- (d) 並無超過本公司先前公告所披露之相關年度上限。

本公司就上文所述有關的持續關連交易，已遵守上市規則第 14A 章所載之披露規定。

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MAJOR CUSTOMERS AND SUPPLIERS

The aggregate revenue attributable to the Group's five largest customers accounted for approximately 44.8% (31 December 2016: 44.0%) of the Group's total revenue and the revenue attributable to the Group's largest customer accounted for approximately 16.3% (31 December 2016: 13.7%) of the Group's total revenue for the year.

The aggregate purchases attributable to the Group's five largest suppliers were less than 30% of the Group's total purchases for the year (2016: less than 30%).

None of the Directors, any of their associates or shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital), had any beneficial interest in the Group's five largest customers.

BANK BORROWINGS

The particulars of bank borrowings of the Group as at 31 December 2017 are set out in note 26 to the financial statement.

DONATIONS

The Group donated HK\$12,000 (2016: Nil) for charitable and other purposes during the year.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

RELATED PARTY TRANSACTIONS

Significant related party transactions of the Group are set out in note 29 to the financial statements. In relation to those related party transactions that also constituted connected transactions or continuing connected transactions of the Group as defined in the Listing Rules, the relevant disclosure requirements in accordance with Chapter 14A of the Listing Rules have been complied with.

主要客戶及供應商

於本年度，本集團最大5位客戶佔本集團總收益約44.8%（2016年12月31日：44.0%），而本集團最大客戶則佔本集團總收益約16.3%（2016年12月31日：13.7%）。

於本年度，本集團最大5位供應商佔本集團之總採購額少於30%（2016年：少於30%）。

董事、任何彼等之聯繫人或股東（據董事所知擁有本公司已發行股本超過5%者）概無在本集團之最大5位客戶中擁有任何實益權益。

銀行貸款

本集團於2017年12月31日的銀行貸款詳情載於財務報表附註26。

捐款

本年內，本集團作出慈善及其他捐款港幣12,000元（2016年：無）。

購買、出售或贖回本公司之上市證券

本公司或其任何附屬公司於本年內概無購買、出售或贖回本公司之任何上市證券。

關連人士交易

本集團之重大關連人士交易載於財務報表附註29。就該等亦構成本集團關連交易或持續關連交易（定義見上市規則）之關聯方交易而言，本集團已遵守根據上市規則第14A章之相關披露規定。

DIRECTORS' REPORT

董事會報告

PUBLIC FLOAT

At the date of this report, the Company has maintained the prescribed public float under the Listing Rules, based on the information that is publicly available to the Company and to the best of knowledge of its Directors.

AUDITOR

The retiring auditor, Messrs. PricewaterhouseCoopers, has expressed its willingness to offer for re-appointment. A resolution will be proposed at the forthcoming AGM of the Company to re-appoint Messrs. PricewaterhouseCoopers as the auditor of the Company for the ensuing year and to authorise the Directors to fix its remuneration.

On behalf of the Board

Kingston Chu Chun Ho

Chairman

Hong Kong, 27 March 2018

公眾持股量

於本報告日期，據本公司所獲之公眾資料及董事所知悉，本公司已維持上市規則所指定之公眾持股量。

核數師

即將退任之核數師羅兵咸永道會計師事務所已表明彼等願意接受續聘。本公司擬於即將舉行之股東周年大會上提呈一項決議案，重新委聘羅兵咸永道會計師事務所為本公司來年度之核數師，並授權董事釐定其酬金。

代表董事會

主席

朱俊浩

香港，2018年3月27日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



羅兵咸永道

TO THE SHAREHOLDERS OF SYNERGIS HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

致昇捷控股有限公司之股東

(於百慕達註冊成立之有限公司)

OPINION

What we have audited

The consolidated financial statements of Synergis Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) set out on pages 99 to 168, which comprise:

- the consolidated balance sheet as at 31 December 2017;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

意見

我們已審計的內容

昇捷控股有限公司(「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第99頁至第168頁的綜合財務報表，包括：

- 於2017年12月31日的綜合資產負債表；
- 截至該日止年度的綜合損益表；
- 截至該日止年度的綜合全面收入報表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；
- 綜合財務報表附註，包括主要會計政策概要。

我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於2017年12月31日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAAs”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters identified in our audit are summarised as follows:

- Accounting for construction contracts — including profit recognition and contracting work-in-progress;
- Impairment assessment on receivables; and
- Impairment assessment on goodwill.

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部份中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及且適當地為我們的審計意見提供基礎。

獨立性

根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

我們在審計中識別的關鍵審計事項概述如下：

- 建築合約之會計處理 — 包括確認溢利及興建中的工程；
- 應收款項之減值評估；及
- 商譽之減值評估。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matter

關鍵審計事項

Accounting for construction contracts — including profit recognition and contracting work-in-progress

Refer to note 2.10, note 2.21, note 4(c), note 5 and note 17 to the consolidated financial statements
請參閱綜合財務報表附註2.10、附註2.21、附註4(c)、附註5及附註17

For the year ended 31 December 2017, the Group recognised revenue from construction contracts relating to the interiors and special projects which totalled HK\$1,386 million. The contracting work-in-progress amounted to HK\$349.3 million as at 31 December 2017.

截至2017年12月31日止年度，貴集團確認來自室內裝飾及特殊項目建築合約的收益合共港幣1,386,000,000元。於2017年12月31日，興建中的工程為港幣349,300,000元。

The recognition of revenue and cost of sales for the Group's construction contracts is based on the stage of completion of contract activity. Stage of completion is determined by reference to work performed up to the end of the reporting period. Recognition of profit on contracts requires significant judgement and estimates of the total contract costs and revenue by management.

貴集團建築合約之收益及銷售成本乃根據合約活動的完成階段予以確認。完成階段則參照截至報告期末已完成的工程釐定。合約溢利的確認需要管理層對合約總成本及收益作出重大判斷及估計。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

建築合約之會計處理 — 包括確認溢利及興建中的工程

We tested the key controls on how management determine the stage of completion, including controls on estimated total contract costs and budgeted margins, progress billings and progress payments of contracts.

我們已就管理層如何釐定完成階段的主要監控進行測試，包括就估計合約總成本及預算利潤、合約進度發票及進度付款的監控。

Our work in relation to management's estimated total contract costs and budgeted margins focused on the following procedures in relation to material construction contracts within the Group:

我們對管理層於貴集團的重大建築合約所估計的合約總成本及預算利潤集中進行以下程序：

- Discussing with the Group's quantity surveyors and project managers for the status of the projects, identifying any variations, claims and provision on loss-making contracts, and obtaining explanations for fluctuations in margins and the expected recovery of variations.
- 與貴集團工料測量師及項目經理討論有關項目之狀況，以識別是否存在任何變更、申索及因虧蝕合約而產生的撥備，並取得有關利潤波動及預期變更回收的解釋。
- Obtaining corroborative evidence, in relation to the above points, by reviewing the project budgets, external architect's certificates of work performed and minutes of management's regular internal meetings, on a sample basis.
- 對項目預算、外部建築師已進行工程的證書及管理層進行的定期內部會議之會議紀錄進行抽樣審閱，就上述觀點取得證據支持。
- Inspecting signed contracts to identify the total contract sum and terms.
- 檢查已簽署合約，以識別合約總金額及條款。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matter

關鍵審計事項

Accounting for construction contracts — including profit recognition and contracting work-in-progress

These judgements include the expected recovery of costs arising from variations to contracts requested by customers, compensation events and claims made against contractors for delays.

該等判斷包括客戶要求變更合約而產生的預期收回成本、補償事件及就延誤而向承包商提出之索償。

Due to the significant judgement and estimates involved, specific audit focus is placed on this area.

基於涉及重大判斷及估計，我們的審計對於此範疇特別關注。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

建築合約之會計處理 — 包括確認溢利及興建中的工程

- Agreeing the stage of completion to the surveyors' latest valuation and/or external architects' certificates.
- 同意完成階段符合測量師之最近估值及／或外部建築師之證書。
- Testing the calculations of contract revenue, costs and construction contracts in progress.
- 對合約收益、成本及進行中建築合約的計算進行測試。
- Where applicable, inspecting correspondence with the customers and sub-contractors to obtain audit evidence on variations from customers, claims from customers and sub-contractors.
- 在適當情況下，檢查與客戶及分包商的來往資料，以就對客戶的變更指令、客戶及分包商所提出之索償取得審計證據。

We found the assumptions made by management in relation to construction (including profit recognition and contracting work-in-progress) are supported by the audit evidence available.

根據可得之證據，我們認為管理層就建築作出之假設（包括確認溢利及興建中的工程）獲可得審核理據支持。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matter

關鍵審計事項

Impairment assessment on receivables

Refer to note 2.12, note 4(b) and note 18 to the consolidated financial statements

請參閱綜合財務報表附註2.12、附註4(b)及附註18

The Group has a net receivables of HK\$490.6 million after provision for impairment of HK\$70.6 million as at 31 December 2017.

於2017年12月31日，貴集團擁有應收款項淨額為港幣490,600,000元（扣除減值撥備港幣70,600,000元）。

Receivables of the Group comprise mainly receivables in relation to the Group's business of (i) property and facility management services, and (ii) interiors and special projects.

貴集團之應收款項主要包括與貴集團(i)物業及設施管理服務；及(ii)室內裝飾及特殊項目業務有關之應收賬款。

The recoverable amount is estimated by management based on their specific recoverability assessment on individual debtor with reference to the ageing profile, historical payment pattern, the past record of default and assessment of their financial positions. Management would make specific provision against individual balances with reference to the estimated recoverable amount.

可回收金額乃管理層根據其個別債務人的可回收性評估而估算得出，當中參考賬齡組合、以往付款習慣、以往拖欠紀錄及評估其財務狀況。管理層會參考估算可收回金額，對個別結餘作出特定撥備。

For the purpose of impairment assessment, significant judgements and assumptions include identification of impairment indicators, the credit risks of debtors, the estimated timing and amount of future cash flows for the determination of the impairment charge.

就減值評估而言，重大判斷及假設包括識別減值跡象、債務人之信貸風險、估計時間及未來現金流量金額，以識別減值金額。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

應收款項之減值評估

We performed the following procedures in relation to the recoverability of receivables:

我們已就應收款項之可收回性進行以下程序：

- Testing the accuracy of ageing of trade receivables at year end on a sample basis.
- 對年末貿易應收款項的賬齡之準確性進行抽樣測試。
- Obtaining a list of outstanding receivables and identifying any debtors with potential financial difficulty through discussion with management as well as conducting market research on the industry.
- 獲取應收賬款的清單，通過與管理層討論從而識別是否存在有潛在財政困難的債務人，並對行業進行市場研究。
- Assessing the recoverability of the unsettled receivables on a sample basis through our evaluation of management's assessment with reference to the credit profile of the debtors, historical payment pattern of debtors, publicly available information and latest correspondence with debtors and to consider if any additional provision should be made.
- 根據管理層對應收賬款結餘可回收性的評估，我們參照債務人的信貸組合、債務人以往付款習慣、公開資訊及與債務人的近期通信，以抽樣方式評估應收賬款之可回收性，並考慮應否作出額外撥備。
- Testing subsequent settlement of trade receivables after the balance sheet date on a sample basis.
- 對結算日後的貿易應收款項之期後結算進行抽樣測試。

We found the key judgements and assumptions used by management in the recoverability assessment of trade receivables to be supportable based on the available evidence.

根據可得之憑證，我們認為管理層用於貿易應收款項的可回收評估之關鍵判斷及假設是有理據支持的。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matter

關鍵審計事項

Impairment assessment on goodwill

Refer to note 2.5, note 2.9, note 4(d) and note 16 to the consolidated financial statements

請參閱綜合財務報表附註2.5、附註2.9、附註4(d)及附註16

As at 31 December 2017, the Group has significant balance of goodwill of HK\$171.8 million before impairment relating to the acquisition of the Interiors and Special Projects business and ISP Curtain Wall and Aluminum Products Limited in 2012 and 2015 respectively. The industry competition and upward pressure on salaries and wages increase the risk that these businesses may not perform in line with initial expectations and forecasts and therefore the carrying values of goodwill may be impaired.

於2017年12月31日，貴集團擁有的減值前重大商譽總額為港幣171,800,000元，此額與2012年及2015年分別收購室內裝飾及特殊項目業務及昇柏幕牆及鋁質製品有限公司有關。行業競爭及薪金和工資上漲的壓力增加了該等業務的表現或未能切合初期估計及預測的風險，因此商譽的賬面值可能出現減值。

For the purpose of assessing impairment, the goodwill balances are allocated to separate cash-generating units ("CGUs"), and the recoverable amount of each CGU is determined by management based on value-in-use calculations using cash flow projections.

就評估減值而言，商譽結餘被分配至獨立現金產生單位（「現金產生單位」）。管理層採用現金流量預測及根據使用價值計算來釐定現金產生單位的可收回金額。

Management has concluded to make an impairment charge of HK\$55.0 million in respect of the goodwill for the year ended 31 December 2017. This conclusion is based on significant management judgment with respect to the key assumptions, including gross profit growth, terminal growth rates and discount rates.

管理層的結論為於截至2017年12月31日止年度就商譽減值金額為港幣55,000,000元。此結論乃根據對關鍵假設包括毛利增長、最終增長率及折現率行使重大管理判斷。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

商譽之減值評估

Our work in relation to management's impairment assessment included:

我們對管理層的減值評估進行之工作包括：

- Assessing management's identification of CGUs based on the Group's accounting policies and our understanding of the Group's business.
- 根據貴集團之會計政策及我們對貴集團業務之了解，評估管理層就現金產生單位之識別。
- Assessing the value-in-use calculations methodology adopted by management.
- 評估管理層所採用之使用價值計算方法。
- Assessing the reasonableness of key assumptions (including gross profit growth, terminal growth rates and discount rates) based on our knowledge of the business and industry.
- 根據我們對業務及行業的認識，評估關鍵假設（包括毛利增長、最終增長率及折現率）之合理性。
- Engaging our internal valuation specialist to assess the appropriateness of the valuation methodology and discount rates.
- 委聘內部估值專家評估估值方法及折現率之適當性。
- Performing sensitivity analyses over the key assumptions by considering the impact of possible downside changes.
- 考慮假設下調變動的影響，對關鍵假設進行敏感性分析。

We found the management's assumptions used in the impairment assessment to be reasonable based on available evidence.

根據可得之憑證，我們認為管理層於減值評估中所用的假設是合理的。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Audit Committee is responsible for overseeing the Group's financial reporting process.

其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及審核委員會就綜合財務報表須承擔的責任

貴公司董事負責根據香港會計師公會頒佈的《香港財務報告準則》以及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會須負責監督 貴集團的財務報告過程。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅按照百慕達一九八一年《公司法》第90條向閣下(作為整體)報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

We communicate with Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

From the matters communicated with Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Chu Ho Kwan Raphael.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 27 March 2018

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是朱皓琨。

羅兵咸永道會計師事務所
執業會計師

香港，2018年3月27日

CONSOLIDATED INCOME STATEMENT

綜合損益表

For the year ended 31 December 2017

截至2017年12月31日止年度

		Note	2017	2016
		附註	HK\$'000	HK\$'000
			港幣千元	港幣千元
Revenue	收益	5	2,083,300	2,433,471
Cost of sales	銷售成本		(1,916,456)	(2,248,218)
Gross profit	毛利		166,844	185,253
Other income	其他收入	7	9,801	5,162
General and administrative expenses	一般及行政開支		(148,505)	(122,494)
Doubtful debt recovery	收回壞賬	7	19,818	–
Amortisation of intangible assets	無形資產攤銷		(1,628)	(3,401)
Intangible asset write off	撇銷無形資產	7	(33,907)	(1,755)
Impairment loss on goodwill	商譽之減值虧損	16	(55,000)	–
Impairment of contracting work-in-progress	興建中的工程之減值	17	(2,723)	(9,448)
Impairment of receivables	應收賬款之減值	18	(3,160)	(82,304)
Interest expenses	利息開支	6	(5,291)	(5,959)
Loss before taxation	除稅前虧損	7	(53,751)	(34,946)
Taxation	稅項	11	(1,770)	(4,766)
Loss for the year	年內虧損		(55,521)	(39,712)
Loss attributable to:	應佔虧損：			
Equity holders of the Company	本公司股權持有人		(54,377)	(39,483)
Non-controlling interests	非控股權益		(1,144)	(229)
			(55,521)	(39,712)
Losses per share for loss attributable to the equity holders of the Company	本公司股權持有人應佔虧損之每股虧損			
– basic (HK cents)	– 基本(港幣仙)	13	(13.8)	(11.7)
– diluted (HK cents)	– 攤薄(港幣仙)	13	(13.8)	(11.7)
Dividend	股息	12	–	6,419

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收入報表

For the year ended 31 December 2017

截至2017年12月31日止年度

		2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
Loss for the year	年內虧損	(55,521)	(39,712)
Other comprehensive income/(loss):	其他全面收入／(虧損)：		
Items that will not be reclassified to profit or loss:	其後將不會重新分類至損益之項目：		
Actuarial gain on long service payment liabilities	長期服務金負債之精算收益	505	1,564
Items that may be subsequently reclassified to profit or loss:	可其後重新分類至損益之項目：		
Exchange differences on translating foreign operations	換算海外業務產生之匯兌差額	1,696	(2,060)
Other comprehensive income/(loss) for the year	年內其他全面收入／(虧損)	2,201	(496)
Total comprehensive loss for the year	年內全面虧損總額	(53,320)	(40,208)

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 31 December 2017

於2017年12月31日

		Note	2017	2016
		附註	HK\$'000	HK\$'000
			港幣千元	港幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	14	15,263	13,435
Investment properties	投資物業	15	5,600	3,600
Intangible assets	無形資產	16	–	35,535
Goodwill	商譽	16	116,794	171,794
Deferred tax assets	遞延稅項資產	25	41	78
Prepayment	預付款項		2,080	1,840
Total non-current assets	非流動資產總額		139,778	226,282
Current assets	流動資產			
Contracting work-in-progress	興建中的工程	17	349,294	411,412
Receivables	應收賬款	18	490,604	398,409
Deposits and prepayments	按金及預付款項	18	22,429	26,622
Taxation recoverable	可收回稅項		2,594	5,553
Cash and cash equivalents	現金及現金等值	20	112,532	111,723
Time deposits with original maturities over three months	原到期日超過三個月之定期存款	20	3,666	17,561
Total current assets	流動資產總額		981,119	971,280
Current liabilities	流動負債			
Payables and accruals	應付賬款及應計費用	21	704,154	753,368
Bank loans	銀行貸款	26	162,402	204,000
Amount due to non-controlling interests	應付非控股權益款項	19	1,306	1,240
Amount due to other partner of joint operations	應付其他共同經營夥伴款項		15	15
Taxation payable	應付稅項		565	4,655
Total current liabilities	流動負債總額		868,442	963,278
Net current assets	流動資產淨值		112,677	8,002
Total assets less current liabilities	資產總額減流動負債		252,455	234,284

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 31 December 2017

於2017年12月31日

		Note	2017	2016
		附註	HK\$'000	HK\$'000
			港幣千元	港幣千元
Non-current liabilities	非流動負債			
Long service payment liabilities	長期服務金負債	24	1,380	2,378
Deferred tax liabilities	遞延稅項負債	25	248	6,356
Total non-current liabilities	非流動負債總額		1,628	8,734
Net assets	資產淨值		250,827	225,550
Equity attributable to equity holders of the Company	本公司股權持有人應佔權益			
Share capital	股本	22	50,486	43,055
Retained profits and other reserves	保留溢利及其他儲備	23	201,499	182,509
			251,985	225,564
Non-controlling interests	非控股權益		(1,158)	(14)
Total equity	權益總額		250,827	225,550

The notes on pages 105 to 168 are an integral part of these consolidated financial statements.

第105至第168頁之附註為該等綜合財務報表之組成部分。

The financial statements were approved by the Board of Directors on 27 March 2018 and were signed on its behalf.

財務報表經董事會於2018年3月27日批准，並由以下人士代表簽署。

Kingston Chu Chun Ho 朱俊浩
Chairman 主席

Terence Leung Siu Cheong 梁兆昌
Director 董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2017

截至2017年12月31日止年度

Attributable to equity holders of the Company

歸屬於本公司股權持有人

		Share capital	Share premium	Merger reserve	Employee share	Exchange reserve	Retained profits	Total	Non-controlling interests	Total Equity
					option reserve				Non-controlling interests	
		股本	股份溢價	合併儲備	僱員購股權儲備	匯兌儲備	保留溢利	總計	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 January 2017	於2017年1月1日	43,055	114,143	1,513	255	(2,546)	69,144	225,564	(14)	225,550
Loss for the year	年內虧損	-	-	-	-	-	(54,377)	(54,377)	(1,144)	(55,521)
Other comprehensive income	其他全面收入	-	-	-	-	1,696	505	2,201	-	2,201
Total comprehensive income/(loss)	全面收入/(虧損)總額	-	-	-	-	1,696	(53,872)	(52,176)	(1,144)	(53,320)
Placing of new shares	配售新股份	6,952	66,777	-	-	-	-	73,729	-	73,729
Share option scheme	購股權計劃	-	-	-	195	-	144	339	-	339
Issue of shares upon exercise of share options	因行使購股權而發行股份	479	4,500	-	(450)	-	-	4,529	-	4,529
At 31 December 2017	於2017年12月31日	50,486	185,420	1,513	-	(850)	15,416	251,985	(1,158)	250,827
At 1 January 2016	於2016年1月1日	42,768	110,935	1,513	764	(486)	125,109	280,603	(1,211)	279,392
Loss for the year	年內虧損	-	-	-	-	-	(39,483)	(39,483)	(229)	(39,712)
Other comprehensive (loss)/income	其他全面(虧損)/收入	-	-	-	-	(2,060)	1,564	(496)	-	(496)
Total comprehensive loss	全面虧損總額	-	-	-	-	(2,060)	(37,919)	(39,979)	(229)	(40,208)
2015 final dividend paid	已派2015年度末期股息	-	-	-	-	-	(10,692)	(10,692)	-	(10,692)
2016 interim dividend paid (note 12)	已派2016年度中期股息 (附註12)	-	-	-	-	-	(6,419)	(6,419)	-	(6,419)
Share option scheme	購股權計劃	-	-	-	539	-	-	539	-	539
Transfer upon share options lapsing	因購股權失效而轉撥	-	-	-	(268)	-	268	-	-	-
Issue of shares upon exercise of share options	因行使購股權而發行股份	287	3,208	-	(780)	-	-	2,715	-	2,715
Incorporation of a subsidiary	註冊成立的一間附屬公司	-	-	-	-	-	-	-	41	41
Further acquisition of a subsidiary	進一步收購一間附屬公司	-	-	-	-	-	(1,203)	(1,203)	1,385	182
At 31 December 2016	於2016年12月31日	43,055	114,143	1,513	255	(2,546)	69,144	225,564	(14)	225,550

The note on pages 105 to 168 are an integral part of these consolidated financial statements.

第105至第168頁之附註為該等綜合財務報表之組成部分。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2017

截至2017年12月31日止年度

		Note	2017	2016
		附註	HK\$'000	HK\$'000
			港幣千元	港幣千元
Operating activities	經營業務			
Cash (used in)/generated from operations	經營業務(耗用)/產生之現金	28	(32,902)	142,341
Interest received	已收利息		3,737	115
Interest paid	已付利息		(5,267)	(6,072)
Income taxes paid	已付所得稅		(8,972)	(19,344)
Net cash (used in)/generated from operating activities	經營業務(耗用)/產生之現金淨額		(43,404)	117,040
Investing activities	投資業務			
Purchase of property, plant and equipment	購買物業、機器及設備		(8,588)	(12,404)
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備所得款項		213	183
Decrease/(increase) time deposits over three months	減少/(增加)超過三個月的定期存款		13,895	(17,561)
Net cash generated from/(used in) investing activities	投資業務產生/(耗用)之現金淨額		5,520	(29,782)
Financing activities	融資業務			
Issuance of shares upon exercise of share options	因行使購股權而發行股份		4,529	2,715
Drawdown of bank loans	動用銀行貸款		233,138	615,005
Placing of new shares	配售新股份		73,729	-
Repayment of bank loans	償還銀行貸款		(274,736)	(704,541)
Dividend paid	已付股息		-	(17,111)
Net cash generated from/(used in) financing activities	融資業務產生/(耗用)之現金淨額		36,660	(103,932)
Net decrease in cash and cash equivalents	現金及現金等值減少之淨額		(1,224)	(16,674)
Cash and cash equivalents at the beginning of the year	年初之現金及現金等值		111,723	129,841
Exchange gain/(loss) on cash and cash equivalents	現金及現金等值之匯兌收益/(虧損)		2,033	(1,444)
Cash and cash equivalents at the end of the year	年末之現金及現金等值		112,532	111,723

The note on pages 105 to 168 are an integral part of these consolidated financial statements.

第105至第168頁之附註為該等綜合財務報表之組成部分。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

1 GENERAL INFORMATION

The Company was incorporated in Bermuda under the Companies Act 1981 of Bermuda as an exempted company on 4 August 2003. The address of its registered office is Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda. The Company's shares were listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 9 October 2003.

The principal business of the Group is principally engaged in the provision of PFM business and ISP business in Hong Kong, Mainland China and Macau.

The consolidated financial statements are presented in thousands of Hong Kong dollars (HK\$), unless otherwise stated, and were approved for issue by the Board on 27 March 2018.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The consolidated financial statements of Synergis Holdings Limited have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") and requirements of the Hong Kong Companies Ordinance (Cap.622). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties which are carried at fair value.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

1 一般資料

本公司於2003年8月4日根據1981年百慕達公司法在百慕達註冊成立為獲豁免公司。註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda。本公司股份於2003年10月9日在香港聯合交易所有限公司(「聯交所」)上市。

本集團之主要業務為於香港、中國內地及澳門主要從事提供物業及設施管理業務以及室內裝飾及特殊項目業務。

除另有列明者外，本綜合財務報表以港幣千元列示，並已於2018年3月27日經董事會批准刊發。

2 編製基準及會計政策

昇捷控股有限公司之綜合財務報表乃根據香港財務報告準則(「香港財務報告準則」)及香港公司條例(622章)之規定而編製。本綜合財務報表按歷史成本慣例編製，並已就按公允值列賬之投資物業重估作出修訂。

在遵照香港財務報告準則編製財務報表時，須採用若干關鍵會計估算，管理層亦須在應用本集團會計政策之過程中作出判斷。涉及較高水平判斷或較複雜之範圍或對綜合財務報表屬重大之假設及估計範圍已於附註4披露。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(a) New and amended standards adopted by the Group

The following amendments to standards have been adopted by the Group for the first time for the financial year beginning on or after 1 January 2017:

Amendments to HKFRS 12	Annual Improvements 2014–2016 Cycle
Amendments to HKAS 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses

The adoption of the above amendments to existing standards has no material impact on the Group's results and financial position or any substantial changes to the Group's accounting policies.

(a) 本集團採納之新訂及經修訂準則

本集團已於2017年1月1日開始之財政年度首次採納以下準則之修訂：

香港財務報告準則 第12號之修訂	2014年至2016年 週期之年度改進
香港會計準則 第7號之修訂	披露計劃
香港會計準則 第12號之修訂	就未變現虧損確認 遞延稅項資產

採納上述現有準則的修訂對本集團之業績及財務狀況或本集團會計政策的任何重大變動並無重大影響。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(b) Standards and amendments to existing standards which are not yet effective

The following standards and amendments are effective after 2017 and have not been early adopted by the Group:

Annual Improvements Project on HKFRS 1 and HKAS 28	Annual Improvements 2014-2016 Cycle ¹
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions ¹
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts ¹
HKFRS 9 HKFRS 15	Financial Instruments ¹ Revenue from Contracts with Customers ¹
Amendments to HKFRS 15	Clarifications to HKFRS 15 ¹
Amendments to HKAS 40	Transfers of Investment Property ¹
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration ¹
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ²
HKFRS 16	Leases ²
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments ²
HKFRS 17	Insurance Contracts ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴

¹ Effective for annual periods beginning on or after 1 January 2018

² Effective for annual periods beginning on or after 1 January 2019

³ Effective for annual periods beginning on or after 1 January 2021

⁴ Effective for annual periods to be determined

(b) 尚未生效之準則及現有準則之修訂

以下準則及修訂乃於2017年之後生效，亦並無獲本集團提早採納：

香港財務報告準則第1號及香港會計準則第28號之年度改進項目	2014年至2016年週期之年度改進 ¹
香港財務報告準則第2號之修訂	股份基礎給付交易之分類及計量 ¹
香港財務報告準則第4號之修訂	與香港財務報告準則第4號保險合約一併應用香港財務報告準則第9號金融工具 ¹
香港財務報告準則第9號 香港財務報告準則第15號	金融工具 ¹ 來自客戶合約之收益 ¹
香港財務報告準則第15號之修訂	香港財務報告準則第15號之澄清 ¹
香港會計準則第40號之修訂	投資物業轉讓 ¹
香港(國際財務報告詮釋委員會)－詮釋第22號	外幣交易及預付代價 ¹
香港財務報告準則第9號之修訂	具有負補償的提前還款特性 ²
香港財務報告準則第16號	租賃 ²
香港(國際財務報告詮釋委員會)－詮釋第23號	有關所得稅處理方法之不明朗因素 ²
香港財務報告準則第17號	保險合約 ³
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間的資產出售或注資 ⁴

¹ 於2018年1月1日開始或之後開始之年度期間生效

² 於2019年1月1日開始或之後開始之年度期間生效

³ 於2021年1月1日開始或之後開始之年度期間生效

⁴ 生效的年度期間有待確定

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

The Group will adopt the above standards and amendments to existing standards as and when they become effective. None of the above is expected to have a significant effect on the consolidated financial statements of the Group, except the following set out below:

HKFRS 15, “Revenue from Contracts with Customers”

HKFRS 15 replaces HKAS 18 “Revenue” and HKAS 11 “Construction Contracts” and the related interpretations (including but not limited to HK(IFRIC)-Int 18 “Transfers of Assets from Customers”). HKFRS 15 establishes a comprehensive framework for determining when to recognise revenue and how much revenue to recognise through a 5-step approach: (i) identify the contract(s) with a customer; (ii) identify separate performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations; and (v) recognise revenue when a performance obligation is satisfied. The core principle is that a company should recognise revenue when control of a good or service transfers to a customer. Under HKFRS 15, an entity normally recognises revenue when a performance obligation is satisfied. Impact on the revenue recognition may arise when multiple performance obligations are identified.

Based on the assessment undertaken to date, the Group does not expect the adoption of HKFRS 15 would have a material impact over revenue recognition of the Group’s major operation.

The Group intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 January 2018 and that comparatives will not be restated.

本集團將於彼等生效時採納上述準則及現有準則之修訂。以上各項預期將不對本集團之綜合財務報表產生重大影響，惟以下所述者除外：

香港財務報告準則第15號「來自客戶合約之收益」

香港財務報告準則第15號取代了香港會計準則第18號「收入」及香港會計準則第11號「建築合約」，以及相關詮釋（包括但不限於香港（國際財務報告詮釋委員會）—詮釋第18號「轉移客戶資產」）。香港財務報告準則第15號應用五步法，作為確認收入確認的時間和金額之全面框架：(i) 識別與客戶的合同；(ii) 識別合同內獨立的履約義務；(iii) 釐定交易價格；(iv) 將交易價格分攤至合同內的履約義務；及(v) 當主體符合履約義務時確認收入。核心原則是公司應於商品或服務的控制權轉移給客戶的時點或過程中以其預計有權獲得的金額予以確認。根據香港財務報告準則第15號，實體通常於履行履約義務時確認收入。當識別多項履約責任，可能產生收益確認影響。

根據迄今評估，本集團並不預期採納香港財務報告準則第15號對本集團主要業務的收益確認會有重大影響。

本集團擬採用經修定準則下之累積影響法，不比較期間進行追溯調整，而是在採用之日，即2018年1月1日直接執行該項新準則並調整保留盈利，比較數據並不會重新編列。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

HKFRS 9, “Financial Instruments”

HKFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the guidance in HKAS 39 that relates to the classification and measurement of financial instruments. HKFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in HKAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. HKFRS 9 relaxes the requirements for hedge effectiveness but contemporaneous documentation is still required.

The new impairment model requires the recognition of impairment provisions based on expected credit losses rather than only incurred credit losses as is the case under HKAS 39. Based on the assessments undertaken to date, the Group expects an earlier recognition of loss which would result in a small increase in loss allowances.

The new standard also introduces expanded disclosure requirements and changes in presentation. These are expected to change the nature and extent of the Group's disclosures about its financial instruments particularly in the year of the adoption of the new standard.

The group will apply the new rules retrospectively from 1 January 2018, with the practical expedients permitted under the standard. Comparatives for 2017 will not be restated.

香港財務報告準則第9號「金融工具」

香港財務報告準則第9號闡述金融資產及金融負債的分類、計量及確認。該準則取代有關金融工具的分類及計量的香港會計準則第39號的指引。香港財務報告準則第9號保留但簡化混合計量模式，並確立金融資產的三個主要計量類別：攤銷成本、以公平值誌入其他全面收益及以公平值誌入損益賬。分類基準視乎實體的業務模式及金融資產的合約現金流特徵而定。股本工具的投資須按公平值誌入損益賬計量，並可於初始計量時不可撤回地選擇於其他全面收益中呈列公平值變動而不循環呈列。現有新預期信貸虧損模式取代香港會計準則第39號所用的已產生減值虧損模式。金融負債方面，概無分類及計量變動，惟於其他全面收益就按公平值計入損益的負債確認自有信貸風險變動除外。香港財務報告準則第9號放寬有關對沖成效的要求，惟仍需將同期資料存檔。

新減值模式規定根據預期信貸虧損確認減值撥備，而不僅是已產生信貸虧損（根據香港會計準則第39號）。根據迄今評估，本集團預期若更早確認虧損，彼將導致虧損限額輕微上升。

新準則亦引入擴大披露規定及呈報變動。預期會改變本集團有關其金融工具的披露性質及範圍，尤其是採納新準則的年度。

自2018年1月1日起，本集團將以準則下許可之可行方法，回顧性應用新規定。2017年之比較數據將不再重新編列。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

HKFRS 16, “Leases”

HKFRS 16 will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not significantly change.

The standard will affect primarily the accounting for the Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of HK\$20,165,000. Based on the preliminary assessment undertaken to date, it is estimated that the adoption of HKFRS 16 would result in recognition of right-of-use assets and financial liabilities in the consolidated statement of financial position primarily arising from leases of land and buildings. The interest expenses on the lease liabilities and the depreciation expenses on the right-of-use assets under HKFRS 16 will replace the rental charge under HKAS 17 in the consolidated income statement.

The new standard is mandatory for financial years commencing on or after 1 January 2019. At this stage, the Group does not intend to adopt the standard before its effective date.

香港財務報告準則第16號「租賃」

香港財務報告準則第16號將導致差不多所有租賃在資產負債表內確認，經營租賃與融資租賃的劃分已被刪除。根據該新準則，資產（該租賃項目的使用權）與支付租金的金融負債被確認。唯一例外者為短期和低價值租賃。對出租人的會計處理將不會有重大變動。

此準則將主要影響本集團經營租賃的會計處理。於本報告日期，本集團有不可撤銷的經營租賃承擔港幣20,165,000元。根據迄今初步評估，估計採納香港財務報告準則第16號將導致於綜合財務狀況表確認主要源於土地及樓宇租賃的使用權資產及金融負債。根據香港財務報告準則第16號，租賃負債利息開支及使用權資產折舊開支將代替香港會計準則第17號項下的綜合收益表租賃費用。

新準則於2019年1月1日或之後開始的財政年度強制生效。於此階段，本集團不擬在其生效日期前採用。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2.1 Basis of Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's balance sheet, the investments in subsidiaries are accounted for at cost less impairment (note 2.9). Cost also includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

(b) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

2.1 綜合賬目基準

(a) 附屬公司

附屬公司指本集團擁有控制權之所有實體(包括特殊目的實體)。當本集團因為參與該實體而承擔可變回報的風險或享有可變回報的權益，並有能力透過其對該實體活動的主導權影響此等回報時，本集團即控制該實體。附屬公司在控制權轉移至本集團之日起全面綜合入賬，並在控制權終止之日起停止綜合入賬。集團內公司間之收益、集團公司之間之交易結餘及未變現收益會予以對銷。未變現虧損亦予以對銷。附屬公司之會計政策已按需要作出修訂，確保與本集團所採納之會計政策一致。

在本公司之資產負債表內，於附屬公司之投資乃按成本值扣除減值(附註2.9)列賬。成本亦計入直接投資應佔成本。附屬公司之業績由本公司按已收及應收股息基準入賬。

(b) 與非控股權益交易

本集團將其與非控股權益的交易視為與本集團權益擁有人進行的交易。向非控股權益進行購置而言，相當於所支付的任何代價與相關應佔所收購附屬公司資產賬面淨值之差額已計入權益。向非控股權益出售之收益或虧損亦計入權益。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(c) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in the income statement. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as a joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the income statement.

2.2 Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures; depending on the contractual rights and obligations each investor has rather than the legal structure of the joint arrangement. For the joint arrangements that specify that the parties to the joint arrangements have rights to the assets and obligations to the liabilities relating to the joint arrangements, they are classified as joint operations. For the remaining joint arrangements, they are classified as joint ventures.

All joint arrangements under the Group are joint operations.

The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings. Details of the joint operation are set out in note 33.

(c) 出售附屬公司

本集團失去控制權時，於實體的任何保留權益按失去控制權當日的公允值重新計量，有關賬面值變動在損益表確認。就其後入賬列作合營企業或財務資產的保留權益，其公允值為初始賬面值。此外，先前於其他全面收入確認與該實體有關的任何金額按猶如本集團已直接出售有關資產或負債的方式入賬。此可能意味著先前在其他全面收入確認的金額重新分類至損益表。

2.2 共同安排

於共同安排之投資分類為共同經營或合營企業，視乎各投資者於共同安排下之合約權利及責任，而非其法律架構。共同安排訂明訂約方對有關共同安排之資產擁有權利並對負債負有責任，共同安排應分類為共同經營。其他共同安排則分類為合營企業。

本集團的所有共同安排均為共同經營。

本集團確認共同經營之資產、負債、收益及開支及應佔任何共同持有或產生之資產、負債、收益及開支的直接權益。該等項目已納入財務報表合適標題下。共同經營詳情載於附註33。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, identified as the Executive Committee who is responsible for allocating resources and assessing performance of the operating segments and making strategic decisions.

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in HK dollars, which is the Company's and the Group's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gain and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

(c) Group companies

The results and financial position of all Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

2.3 分部報告

營運分部之報告形式與向主要營運決策者提供之內部報告形式一致。主要營運決策者即執行委員會，負責資源調配、為各營運分部評估表現及作策略性決定。

2.4 外幣匯兌

(a) 功能及列賬貨幣

本集團每個實體之財務報表所列項目均以該實體營運所在之主要經濟環境之貨幣（「功能貨幣」）計量。綜合財務報表以港幣呈報，港幣為本公司及本集團之功能及列賬貨幣。

(b) 交易及結餘

外幣交易採用交易日之匯率換算為功能貨幣。結算此等交易產生之匯兌盈虧以及將外幣計值之貨幣資產與負債以年終匯率換算產生之匯兌盈虧在損益表確認。

(c) 集團公司

功能貨幣與列賬貨幣不同之所有集團實體（其中並無任何實體持有通脹嚴重之經濟體系之貨幣）之業績及財務狀況按如下方法換算為列賬貨幣：

- (i) 每份呈報之資產負債表所列資產與負債按該資產負債表日期之收市匯率換算；

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(ii) income and expenses for each income statement and statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

(iii) all resulting exchange differences are recognised in other comprehensive income and as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings, are taken to other comprehensive income. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

2.5 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is assessed for impairment annually or whenever there is an indication that it may be impaired and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment assessment. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose identified according to operating segment.

(ii) 每份損益表及全面收入報表內之收入及開支按平均匯率換算(除非此平均匯率並非交易日期匯率之累計影響的合理約數, 收支項目則按交易日期之匯率換算); 及

(iii) 所有由此產生之匯兌差額均於其他全面收入中確認為權益之獨立組成項目。

在綜合入賬時, 換算對海外業務的投資淨額所產生之匯兌差額, 以及借貸, 會計入其他全面收入。當出讓或出售部份海外業務時, 於權益入賬的匯兌差額會在損益表確認為出售盈虧之一部份。

2.5 商譽

商譽指收購成本超過於收購日期本集團應佔所收購附屬公司的淨可識別資產的公允值之數額。商譽每年或當有跡象顯示可能減值時進行減值評估並按成本減累計減值虧損入賬。商譽減值虧損不作回撥。出售實體之收益及虧損包括與出售實體有關之商譽之賬面值。

商譽就減值評估獲分配至現金產生單位, 並獲分配至預期可按營運分部確認產生商譽的業務合併中得益的該等現金產生單位或多組現金產生單位。

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2.6 Intangible assets

(a) Trademarks

Separately acquired trademarks and trade names are shown at historical cost. Trademarks and trade names acquired in a business combination are recognised at fair value at the acquisition date.

Trademarks and trade names that have a definite useful life are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks over their estimated useful lives of 15 years.

Trademarks that have indefinite useful lives are not amortised. They subject to impairment testing annually and whenever there is an indication that it may be impaired.

(b) Backlog orders

Backlog orders acquired in a business combination are recognised at fair value at the acquisition date. The secured contracts have a finite useful life and carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected life of the contracts of 3 years.

(c) Non-competition agreement

Non-competition agreement acquired in a business combination are recognised at fair value at the acquisition date. The non-competition agreement have a finite useful life and carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected life of the contracts of 15 years.

2.7 Investment properties

Investment property is held for long-term rental yields or for capital appreciation or both, and is not occupied by the companies in the Group.

2.6 無形資產

(a) 商標

獨立購入之商標及商號按歷史成本列賬。在業務合併中購入之商標及商號按收購日之公允值確認。

有指定可使用年期之商標及商號具按成本減累計攤銷列賬。有關攤銷乃根據其估計十五年可使用年期以直線法攤銷。

有無限可使用年期之商標不會攤銷，惟須每年及當有跡象顯示可能減值時進行減值測試。

(b) 未完成訂單

在業務合併中購入之未完成訂單按收購日之公允值確認。已抵押合約有指定可使用年期且按成本減累計攤銷列賬。有關攤銷乃根據其預計三年合約使用年期以直線法攤銷。

(c) 不競爭協議

在業務合併中購入之不競爭協議按收購日之公允值確認。不競爭協議有指定可使用年期且按成本減累計攤銷列賬。乃根據其預計十五年合約使用年期以直線法攤銷。

2.7 投資物業

投資物業為獲得長期租金收益或資本增值或兩者兼備而持有，且並非由集團旗下公司佔用。

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Investment property is measured initially at its cost, including related transaction costs. After initial recognition, investment property is carried at fair value. Fair value is revaluated bi-annually based on active market prices, adjusted for any necessary difference in the nature, location or condition of the specific asset.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. Changes in fair values are recognised in the income statement.

2.8 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in each asset's carrying amount only when it is probable that there is future economic benefit to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight-line method based on estimated useful lives, as follows:

Leasehold improvements	Over the lease period
Motor vehicles	25%–33.3% per annum
Furniture and equipment	10%–50% per annum

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An assets' carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.9).

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in the income statement.

投資物業初步按成本(包括有關交易成本)計量。在首次確認後,投資物業按公允值列賬。公允值每年進行兩次重估,並根據活躍市場價格計算,如有需要會按個別資產的性質、地點或狀況之差異作出調整。

投資物業之公允值反映(其中包括)來自現有租賃之租金收入以及在現時市況下未來租賃之租金收入假設。公允值變動在損益表確認。

2.8 物業、機器及設備

物業、機器及設備按歷史成本減累計折舊及減值虧損列賬。歷史成本包括收購該等項目直接應佔之開支。

其後成本僅在對本集團很可能有未來經濟利益,而該項目之成本能可靠計量時,方計入各項資產的賬面值。已更換項目部份的賬面值已被取消確認。所有其他維修及保養在所涉財政期間內於損益表支銷。

物業、機器及設備的折舊以直線法於預計可使用年內計算如下:

租賃物業裝修	按租約年期
汽車	每年25%–33.3%
傢俱及設備	每年10%–50%

資產餘值及可使用年期於各結算日檢討並按需要作出調整。倘資產的賬面值高於其估計可收回金額,則資產賬面值即時撇減至其可收回金額(附註2.9)。

出售之盈虧乃按所得款項與賬面值的差額而釐定,並在損益表內中確認。

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2.9 Impairment of investment in subsidiaries and non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are accessed annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are accessed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.10 Contracting work-in-progress

Contracting work-in-progress is valued at cost incurred plus an appropriate proportion of profit after deducting progress billings and allowances for foreseeable losses. Cost comprises direct materials, labour and overheads attributable in bringing the work-in-progress to its present condition.

The Group presents as an asset the gross amount due from customers for contract work for all contracts in progress for which costs incurred plus recognised profits (less recognised losses) exceed progress billings. Progress billings not yet paid by customers and retention are included within trade and retention receivables. The Group presents as a liability the gross amount due to customers for contract work for all contracts in progress for which progress billings exceed costs incurred plus recognised profits (less recognised losses).

2.11 Financial assets

The Group classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

2.9 於附屬公司及非財務資產之投資減值

商譽及具有無限使用年期的無形資產毋須進行分攤，但須每年就減值進行評估，倘有事件或情況變化顯示賬面值可能出現減值跡象，則進行更為頻密的測試。其他資產須於出現事件或情況變動顯示其賬面值可能無法收回時進行減值評估。減值虧損按資產賬面值超出其可收回金額之金額確認入賬。可收回金額指資產公允值減銷售成本及使用價值之較高者。就評估減值而言，資產按獨立可識別現金流量（即獨立於其他資產或一組資產的現金流量）（現金產生單位）之最低水平歸類。已減值之非財務資產（商譽除外）於各報告期末檢討是否可能撥回減值。

2.10 興建中的工程

興建中的工程按成本值加合適比例之溢利並扣除進度付款及可預見虧損撥備後列值。成本包括將興建中的工程達致現時狀況所需之直接原料、勞工以及間接開支。

倘所有進行中合約所產生成本加上已確認溢利或減已確認虧損超出進度發票額，本集團按資產呈列為應收客戶之工程款項毛額。客戶尚未支付之進度發票額及保固金，計入應收賬款及應收保固金。倘所有進行中合約之進度發票額超出所產生成本加上已確認溢利或減已確認虧損，本集團按負債呈列為應付客戶之工程款項毛額。

2.11 財務資產

本集團將其財務資產分類為貸款及應收賬款。分類視乎購入財務資產之目的而定。管理層於首次確認時決定財務資產之類別。

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Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except that for maturities greater than 12 months or the normal operating cycle after the balance sheet date (whichever is applicable). These are classified as non-current assets.

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Loans and receivables are carried at amortised cost using the effective interest method.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. Impairment testing of receivables is described in note 2.12.

2.12 Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement. When a receivable is uncollectible, it is written off against the allowances account for receivables. Subsequent recoveries of amounts off are credited in the income statement.

貸款及應收賬款為有既定或可釐定還款且在活躍市場並無報價的非衍生財務資產。此等項目包括在流動資產內，惟到期日超逾結算日起計12個月或一般營運週期（視乎適用者而定）者，則分類為非流動資產。

定期購入及出售之財務資產於交易日（即本集團承諾買賣該資產之日期）予以確認。投資初步按公允值加交易成本確認。倘從投資收取現金流之權利已到期或經已轉讓，而本集團已將其擁有權之絕大部份風險及回報實體轉讓時，則會終止確認財務資產。貸款及應收賬款按實際利率法以攤銷成本列賬。

本集團於每個結算日評估是否有客觀證據顯示某項財務資產或某組財務資產經已減值。應收賬款之減值測試載於附註2.12。

2.12 應收賬款

應收賬款首次按公允值確認，其後以實際利率法按攤銷成本扣除減值撥備計量。當有客觀證據證明本集團將無法按應收賬款之原有條款收回所有賬款時，即就應收賬款計算減值撥備。撥備金額為資產賬面值與按原實際利率折現之估計未來現金流量之現值差額。該項資產的賬面值會在撥備賬扣減，而虧損數額於損益表確認。倘應收賬款無法收回，則在應收賬款撥備賬作出撇銷。已撇銷的款額若其後收回，則計入損益表內。

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2.13 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligations, and such amount can be reliably estimated. Where the Group expects a provision will be reimbursed, the reimbursement is recognised as a separate asset.

2.14 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.15 Deposits, cash and cash equivalents

Deposits, cash and cash equivalents include cash in hand and deposits held at call with banks that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.16 Payables

Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are classified as current liabilities if payment is due within one year or the normal operating cycle (whichever is applicable) or else, they are presented as non-current liabilities. Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.13 撥備

當本集團因過往事件需承擔法定或推定現有責任，可能須耗費資源以履行有關責任，且能夠可靠估計有關金額時確認撥備。凡本集團預期撥備可獲補償，則補償確認為個別資產。

2.14 借款

借款初期以公允值扣除所產生交易成本確認。借款其後按攤銷成本列賬，所得款項(扣除交易成本)與贖回價值之任何差額則於借款期內以實際利率法於損益表內確認。除非本集團有權無條件於結算日後將負債之結算遞延至少十二個月，否則借款分類為流動負債。

2.15 存款、現金及現金等值

存款、現金及現金等值包括手頭現金及銀行通知存款(可輕易轉換為已知金額的現金，所面對的價值變動風險極微)。

2.16 應付賬款

應付賬款乃支付於日常業務中自供應商取得之貨品或服務之責任。倘有關賬款於一年以內或一般營運週期(視乎適用者而定)到期，應付賬款會入賬列為流動負債。否則，應付賬款會呈列為非流動負債。應付賬款初步按公允值確認，其後按實際利率法以攤銷成本計量。

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2.17 Employee benefits

(a) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. It is the Group's policy to forfeit any untaken annual leave with a specific time period. Subject to regular assessment of staff turnover rate, a provision will be made or reversed. Employee entitlements to sick leave and maternity leave are not recognised until the time of leave. A provision is made for the estimated liability up to the balance sheet date.

(b) Profit sharing and bonus plans

Provisions for profit sharing and bonus are made for the estimated liability for incentive bonus as a result of services rendered by employees up to the balance sheet date, where there is a contractual obligation or past practice that has created a constructive obligation, and a reliable estimate of the obligation can be made.

(c) Retirement benefit

The Group participates in mandatory provident fund schemes in Hong Kong which are defined contribution plan generally funded through payments to trustee — administered funds. The assets of the schemes is held separately from those of the Group in independently administered funds.

Pursuant to the relevant regulations of the government in the People's Republic of China ("PRC"), the subsidiaries in PRC participates in the municipal government contribution scheme whereby the subsidiaries are required to contribute to the scheme for the retirement benefit of eligible employees. The municipal government of the PRC is responsible for the entire benefit obligations payable to the retired employees. The only obligation of the Group with respect to the scheme is to pay the ongoing contributions required by the scheme. The Group's contributions to the scheme are expensed as incurred.

2.17 僱員福利

(a) 僱員享有假期權益

僱員享有年假及長期服務假的權益於僱員應該享有時予以確認。根據本集團政策，於指定時間內未曾動用之年假將被註銷。本集團定期評估員工的流失率，將計提或撥回撥備。僱員之病假及產假在僱員正式休假時確認。按僱員截至結算日止估計之負債作出撥備。

(b) 攤分溢利及花紅計劃

按僱員於截至結算日止所提供的服務，提供獎勵性花紅，並在有合約責任或因過往慣例而產生推定責任的情況下，及可就有關責任作出合理估計時按預計的有關負債，對攤分溢利及花紅作出撥備。

(c) 退休福利

本集團在香港參與強制性公積金計劃，該計劃為定額供款計劃，一般藉付款予受託人管理的基金以提供資金。該等計劃之資產由獨立管理的基金持有，並與本集團之資產分隔。

根據中華人民共和國（「中國」）政府之有關規例，中國國內的附屬公司須參與市政府的供款計劃，據此，附屬公司須為合資格僱員向該項計劃提供退休福利供款。中國市政府負責支付予退休僱員的所有福利承擔，本集團就該項計劃所承擔之唯一責任是根據該計劃規定持續作出供款。本集團對計劃之供款於產生時作開支支銷。

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(d) Long service payment liabilities

The Group's net obligation in respect of long service accounts payable on cessation of employment in certain circumstances under the Hong Kong Employment Ordinance is the amount of future benefit that employees have earned in return for their services in the current and prior periods. That benefit is discounted to determine the present value and reduced by entitlements accrued under the Group's retirement plans. The obligation is calculated using the projected unit credit method by a qualified actuary. Actuarial gains or losses was charged/credited to other comprehensive income.

(e) Share option scheme

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the Binomial Option Pricing Model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to the income statement for the year of the review. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

(d) 長期服務金負債

本集團根據香港《僱傭條例》須在若干情況下於終止僱用時支付之長期服務賬款負債淨額，為僱員於本期間及以往期間因提供服務所賺取之未來利益金額，在釐定現值時，該項利益須予以貼現計算，並扣減根據本集團之退休計劃累計之權益。有關責任由合資格精算師採用預計單位信貸法計算。精算收益或虧損於其他全面收入扣除／計入。

(e) 購股權計劃

授予僱員之購股權公允值會確認為僱員成本，並會相應增加權益內之股本儲備。公允值於授出當日採用二項式期權定價模式釐定，並會考慮購股權之授出條款及條件。倘僱員須於無條件獲授購股權前達成歸屬條件，則購股權之估計公允總值會在歸屬期內攤分，並會考慮購股權歸屬的可能性。

於歸屬期內，需檢討預期歸屬之購股權數量。任何對過往年度已確認的累計公允值所作之調整會於回顧年度於損益表扣除／計入。於歸屬日期，確認為開支之金額會調整以反映實際歸屬之購股權數目（亦相應調整股本儲備），惟僅因未能達到有關本公司股份市價之歸屬條件而沒收購股權則除外。股本金額於股本儲備確認，直至購股權獲行使（即轉撥至股份溢價賬時）或購股權到期（即直接撥至保留溢利時）為止。

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2.18 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Group's control. It can also be a present obligation arising from past events that is not recognised because outflow of economic resources is considered not probable or the amount cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability in that outflow becomes probable, it will then be recognised as a provision.

2.19 Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group's entities operate and generate taxable income. Management periodically evaluates tax related situations and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.18 或然負債

或然負債指因過往事件而可能引起之責任，此等責任需視乎日後不確定事件會否發生才能確定，而有關事件會否發生並非完全受本集團控制。或然負債亦可以是因過往事件引致之現有責任，但由於可能毋須耗用經濟資源，或有關金額未能可靠地計量而未有確認。

或然負債不予確認入賬，惟會於綜合財務報表附註披露。當可能性有變而導致有可能耗用資源，則此等負債會確認為撥備。

2.19 當期及遞延所得稅

當期所得稅支出根據本集團營運所在及產生應課稅收入的國家於結算日已頒佈或實質頒佈的稅法計算。管理層就與稅項有關的情況作定期評估，並在適用情況下根據預期須向稅務機關支付的稅款計提撥備。

遞延所得稅按資產及負債之稅基與其在綜合財務報表之賬面值兩者間之暫時差額以負債法全數撥備。然而，若遞延所得稅來自在交易（不包括業務合併）中初步確認資產或負債，而在交易時不會影響會計損益或應課稅盈虧，則不作記賬。遞延所得稅採用在結算日前已頒佈或實質頒佈並在有關遞延所得稅資產變現或遞延所得稅負債結算時預期適用之稅率及法例釐定。

遞延所得稅資產於有可能出現未來應課稅溢利以抵銷暫時差額時方予以確認。

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Deferred income tax is provided on temporary differences arising on investments in subsidiaries except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.20 Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

2.21 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of returns and discounts and after eliminating sales within the Group.

Property and facility management fees are recognised when the services are rendered and in accordance with the terms of agreements. There are two types of agreement, namely management remuneration contracts ("MR Contracts") and lump sum contracts ("LS Contracts"). Under a MR Contract, the Group is remunerated based on a fixed percentage of the costs involved in the management of the property or facility, and only such fee is recognised as the Group's revenue. Under a LS Contract, the Group is paid a lump sum fee which normally covers the costs involved, thus the whole of lump sum fee is recognised as the Group's revenue.

Revenue from provision of other supporting services is recognised when the services are rendered.

遞延所得稅按於附屬公司之投資所產生之暫時差額作出撥備，惟倘本集團可以控制暫時差額之回撥時間，且暫時差額在可見未來將不會回撥之情況則除外。

當有法定可執行權利將當期稅項資產與當期稅務負債抵銷，且遞延所得稅資產和負債涉及由同一稅務機關對應課稅主體或不同應課稅主體所徵所得稅但有意向以淨額基準結算所得稅結餘時，則可將遞延所得稅資產與負債互相抵銷。

2.20 經營租賃

凡由出租人保留資產擁有權的絕大部份風險及回報的租賃，均歸類為經營租賃。經營租賃的租金減去任何收取自出租人的租金優惠後，以直線法按租期自損益表扣除。

2.21 收益確認

收益包括於本集團日常業務中出售貨品及服務已收或應收代價的公允價值。收益按扣減退貨及折扣並對銷本集團內部銷售後列賬。

物業及設施管理費於根據協議條款提供服務時確認。協議分為經理人酬金合約（「經理人酬金合約」）及全包賬式合約（「全包賬式合約」）兩種。根據經理人酬金合約，本集團將按於管理物業或設施所涉成本之固定百分比收取費用，只有該等費用會確認為本集團之收益。根據全包賬式合約，本集團獲付一筆款項，該等款項一般足以支付所涉成本，故此整筆款項會確認為本集團之收益。

提供其他支援服務之收益，於提供服務時確認。

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財務報表附註

Revenue from contracting work is recognised based on the stage of completion of the contracts, provided that the stage of contract completion and the gross billing value of contracting work can be measured reliably. The stage of completion of a contract is established by reference to the gross billing value of contracting work to date as compared to the total contract sum receivable under the contracts.

Revenue from the sale of goods is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and title has passed.

Operating lease rental income is recognised on a straight-line basis over the term of the lease.

Interest income is recognised on a time proportion basis, taking into account the principal amounts or refundable deposits outstanding and the effective interest rates applicable.

2.22 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability when approved, whereas dividend proposed but not yet approved is recognised as an appropriation of retained earnings.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

Risk management seeks to minimise any potential material effects on the Group's financial performance from the following factors.

(a) Market risk

(i) Foreign exchange risk

The Group's operation in the Mainland China and Macau are monitored by proper synchronisation of receipt and payment in different operating currencies. Hedging has not been effected due to immateriality of the working capital balances.

As at 31 December 2017, the Group's exposure to foreign exchange risk is not material.

合約工程收益是根據合約完工階段確認，惟有關合約完工階段及已開單之合約工程總額必須能作出可靠之測算。合約完工階段是依據至現今已開單之合約工程總額及應收之合約總價兩者作比較而確定。

貨品銷售收益於擁有權的風險及回報轉移時確認，風險及回報轉移一般於貨品交付予客戶及移交所有權時同步發生。

經營租賃租金收入以直線法於租賃期間確認。

利息收入按未償還本金或可退回按金及適用實際利率根據時間比例基準確認。

2.22 股息分派

倘獲批准，向本公司股東分派之股息會確認為負債，而尚未批准之擬派股息則確認為保留盈利分派。

3 財務風險管理

3.1 財務風險因素

風險管理旨在減低對本集團財務表現潛在之重大影響，當中包括以下風險。

(a) 市場風險

(i) 外匯風險

本集團在中國內地及澳門的營運透過妥善同步處理不同經營貨幣的收款及付款管控。由於營運資金結餘的外匯風險極低，故並無實施對沖。

於2017年12月31日，本集團外匯風險並不重大。

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(ii) *Interest rate risk*

At 31 December 2017, if interest rates on Hong Kong dollar denominated borrowings had been 50 basis points (2016: 50 basis points) higher or lower with all other variables held constant, the Group's loss for the year would have increased/decreased by approximately HK\$996,000 (2016: HK\$1,167,000) as a result of higher or lower interest expenses on floating rate bank borrowings respectively.

(b) Credit risk

The Group's credit risk mainly arises from deposits, cash and bank balances and receivables. Current policies ensure that sales and services are made to customers with an appropriate credit history and subject to periodic credit evaluations. Collection of outstanding receivables is closely monitored on an ongoing basis.

As at 31 December 2017, a provision of approximately HK\$69,600,000 (2016: HK\$80,500,000) against receivables based on the impairment assessment on the respective balance with Hsin Chong Group.

Certain customers have exceeded their respective credit terms during the year (note below on receivables). However, management does not expect any significant losses from non-performance by these counterparties because of their good repayment history.

The credit risk associated with deposits and cash and bank balances is limited because the counterparties are bank with high credit rating.

(c) Liquidity risk

The Group adopts prudent liquidity risk management which includes maintaining sufficient bank balances and cash, and having available funding through an adequate amount of committed credit facilities.

(ii) *利率風險*

於2017年12月31日，倘港幣計值借款之利率增加或減少50基點（2016年：50基點），而所有其他可變因素維持不變，本集團之年內虧損將因浮息銀行借貸利息開支的增加或減少而分別增加／減少約港幣996,000元（2016年：港幣1,167,000元）。

(b) 信貸風險

本集團的信貸風險主要來自按金、現金及銀行結餘及應收賬款。目前，本集團已安排政策以確保服務及銷售乃售予具有合適信貸記錄的客戶，並會定期評估的信貸狀況。未收回應收賬款催繳持續受到緊密監控。

於2017年12月31日，約港幣69,600,000元（2016年：港幣80,500,000元）應收款項之撥備，乃根據新昌集團相關結餘之減值評估作出。

若干客戶於本年內已超逾彼等各自的信貸期（見下文有關應收賬款之附註）。然而，由於該等交易對手有良好還款記錄，管理層預計不會因該等交易對手拖欠付款而引致任何重大損失。

與存款及現金及銀行結餘有關之信貸風險有限，因為交易對手方為具有高信貸評級之銀行。

(c) 流動資金風險

本集團採取審慎流動風險管理，包括維持充足之銀行結餘及現金，並擁有可供動用之充足金額已承諾信貸融資。

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For bank loans containing a repayment on demand clause, if the lenders were to invoke their unconditional rights to call the loans with immediate effect, including short term revolving loans of HK\$90,000,000 (2016: HK\$120,000,000) which is subject to annual review by lenders, invoice discounting HK\$12,402,000 (2016: Nil) which is subject to projects review by lenders and bank loans of HK\$60,000,000 (2016: HK\$84,000,000) with scheduled repayment dates, will be on demand for repayment immediately, excluding interest payments.

As at 31 December 2017, the Group was in breach of certain loan covenants of bank loans of HK\$150,000,000 in relation to financial ratio requirement. This might cause these borrowings to become immediately repayable. Such condition indicates the existence of certain uncertainties over the Group's liquidity position. In view of such circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. Certain measures have been taken to mitigate the liquidity pressure and to improve the Group's financial position which include, but are not limited to, the following:

- (i) The Group has communicated the aforesaid breach of financial covenants to the lender subsequent to 31 December 2017 and the lender does not request for early repayment so far.
- (ii) The Group will continue to seek for settlement of the overdue receivables from Hsin Chong Group pursuant to the settlement agreements, and might take legal actions, if necessary;
- (iii) The Group will closely monitor the cash flow requirement before submitting new tenders to ensure any additional working capital commitment will not cast doubt on the Group's ability to continue as a going concern; and

就包含按要求償還條款之銀行貸款而言，倘貸方使用其無條件權利即時召回貸款，包括貸方每年批核之短期周轉貸款港幣90,000,000元(2016年：港幣120,000,000元)、根據貸方項目審批之發票貼現港幣12,402,000元(2016年：無)及附有預先安排還款期之銀行貸款港幣60,000,000元(2016年：港幣84,000,000元)，將須按要求立即償還，惟利息付款除外。

於2017年12月31日，本集團就財務比率規定違反若干貸款契據，涉及銀行貸款港幣150,000,000元。這可能導致該等借貸須即時償還。有關情況顯示本集團的流動資金狀況可能存在若干不確定性。鑑於有關情況，於評估本集團是否擁有充足財務資源繼續以持續基準經營時，本公司董事已審慎考慮本集團的未來流動資金及表現以及可動用的資金來源。本集團已採取若干措施減輕流動資金壓力及改善其財務狀況，包括但不限於以下各項：

- (i) 本集團已於2017年12月31日後，向貸方交涉上述違反財務契據，而貸方至今並無要求提早還款。
- (ii) 本集團將繼續尋求新昌集團根據和解協議結付逾期應收賬款，並於有需求時採取法律行動；
- (iii) 本集團於提交新標書前將密切監察現金流量需要，確保任何額外營運資金承擔將不會令本集團按持續經營基準營運的能力存疑；及

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- (iv) The Group will continue to take active measures to control administrative costs through various channels.

The directors have reviewed the Group's cash flow projections prepared by management. The cash flow projections cover a period of not less than twelve months from 31 December 2017. They are of the opinion that, taking into account the abovementioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 December 2017. Accordingly, the directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. Taking into account the Group's financial position and loan of HK\$150,000,000 are guaranteed by a major shareholder, the Directors do not consider that the bank will exercise its discretion to demand immediate payment, and believe that the bank loan will be repaid in accordance with the scheduled repayment dates set out in note 26. The amounts disclosed in the table are the contractual undiscounted cash flows, including interest payment.

- (iv) 本集團將繼續採取積極措施，透過不同渠道控制行政成本。

董事已審閱管理層編製之本集團現金流量預測。現金流量預測覆蓋由2017年12月31日起不少於12個月之期間。彼等認為，經計及上述計劃及措施，本集團將有充足營運資金撥付營運及應付由2017年12月31日起12個月內到期的財務負債。因此，董事信納按持續經營基準編製綜合財務報表屬合適。

下表顯示本集團之財務負債，按照相關之到期組別，根據由結算日至合約到期日之剩餘期間進行分析。經考慮本集團之財務狀況及主要股東擔保之貸款港幣150,000,000元，董事會認為銀行不會行使其權利要求即時償還款項，並相信本集團將根據載列於附註26中之還款時間表償還銀行貸款。表內所披露之金額乃合約性未貼現之現金流量，包括利息付款。

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Financial risk factors

Liquidity risk (in HK\$'000)

財務風險因素

流動資金風險(港幣千元)

At 31 December 2017	於2017年12月31日	Within	After	After	Total
		one year	one year but within two years	two years but within five years	
		一年內	多於一年 但少於 兩年內	多於兩年 但少於 五年內	總計
Term loans subject to a repayment on demand clause	訂有須按要求還款的有期貸款	26,817	25,690	12,563	65,070
Other bank loans	其他銀行貸款	90,089	-	-	90,089
Payables and accruals	應付賬款及應計費用	684,231	19,096	827	704,154
Amount due to non-controlling interests	應付非控股權益款項	1,306	-	-	1,306
Amount due to other partner of joint operations	應付其他共同經營夥伴款項	15	-	-	15
Total	總計	802,458	44,786	13,390	860,634

At 31 December 2016	於2016年12月31日	Within	After	After	Total
		one year	one year but within two years	two years but within five years	
		一年內	多於一年 但少於 兩年內	多於兩年 但少於 五年內	總計
Term loans subject to a repayment on demand clause	訂有須按要求還款的有期貸款	87,270	-	-	87,270
Other bank loans	其他銀行貸款	120,275	-	-	120,275
Payables and accruals	應付賬款及應計費用	725,965	27,395	8	753,368
Amount due to non-controlling interests	應付非控股權益款項	1,240	-	-	1,240
Amount due to other partner of joint operations	應付其他共同經營夥伴款項	15	-	-	15
Total	總計	934,765	27,395	8	962,168

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3.2 Capital risk management

In managing its capital, the Group's objectives are to safeguard its ability to continue operation as a going concern while keeping an optimal capital level to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares to reduce debt.

3.3 Fair value estimation

The carrying amounts of the Group's current assets and liabilities approximate their fair values due to their short term maturities.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates may not, by definition, equal the related actual results. Those estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of each of the assets and liabilities are discussed below.

(a) Useful lives of property, plant and equipment and intangible assets

Management determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and intangible assets. Such estimate is based on the historical experience of the actual useful lives of property, plant and equipment and intangible assets of similar nature and functions.

3.2 資本風險管理

本集團的資本管理旨在保障本集團能繼續營運，並維持最佳的資本結構而減低資金成本。為維持或調整資本結構，本集團或會調整支付予股東的股息數額、向股東返還資本或發行新股以減低債務。

3.3 公允值估計

由於本集團之流動資產及負債屬短期性質，因此其賬面值均與公允值相若。

4 關鍵會計估算及判斷

本集團不斷根據過往經驗及其他因素(包括對在有關情況下視為合理的未來事件預期)對其估算及判斷予以評估。所得之會計估算定義上可能不會與實際結果相同。很大風險導致各項資產與負債賬面值重大調整之估算及假設討論如下。

(a) 物業、機器及設備及無形資產之可使用年期

管理層會釐定物業、機器及設備及無形資產之估計可使用年期及有關折舊及攤銷支出。該估計乃根據同類性質及功能之物業、機器及設備及無形資產的實際可使用年期之過往記錄釐定。

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(b) Receivables and deposits

Management determines the provision for impairment of receivables and deposits based on assessment of the recoverability of the balances. The assessment is based on the specific recoverability assessment and ageing profile of the balances, which requires the use of judgements and estimates. A considerable amount of judgement is required in assessing the ultimate realisation of the balance, including the financial position and the historical payment pattern of each counterparty. The Group has set out policies to ensure follow-up action is taken to recover overdue receivables and deposits. As at 31 December 2017, the Group has made a provision of approximately HK\$70,600,000 based on the impairment assessment. The Group has been negotiating with the counterparties for the payment of settlement. The determination of the provision involved significant management estimation.

(c) Construction contracts

As explained in note 2.21, revenue recognition on a project is dependent on management's estimation of the total outcome of the construction contract, as well as the work done to date. The Group reviews and revises the estimates of contract revenue, contract costs, variation orders and contract claims prepared for each construction contract as the contract progresses. Budgeted construction income is determined in accordance with the terms set out in the relevant contracts. Budgeted construction costs are prepared by the management on the basis of quotations from time to time provided by the major contractors, suppliers or vendors involved and the experience of the management. In order to keep the budget accurate and up-to-date, the management conducts periodic reviews of the management budgets by comparing the budgeted amounts to the actual amounts incurred. A considerable amount of judgment is required in estimating the total contract revenue, contract costs, variation works and contract claims which may have an impact in terms of percentage of completion and recognition of profit.

(b) 應收賬款及按金

管理層根據對結餘可收回性的評估釐定應收賬款及按金減值撥備。根據其個別可收回性評估及賬齡組合，並需要利用判斷及估算作出評估。評估結餘的最終變現時需要作出大量判斷，包括各對手方的財務狀況及以往的付款習慣。本集團已制定政策，確保採取跟進行動，收回逾期應收賬款及按金。於2017年12月31日，本集團根據減值評估，計提約港幣70,600,000元的撥備。本集團一直與對手方就結算付款進行磋商。管理層作出重大估算來釐定撥備。

(c) 建造合約

如在附註2.21中說明，工程收益確認取決於管理層就建造合約總結果之估計，以及迄今已完成之工程額。隨著合約工程進度，本集團審閱及修訂每一份建造合約之合約收益、合約成本、改工命令及合約索償之估計。建造收益預算是根據相關合約條款決定。建造成本預算由管理層不時根據合約所涉及之主要承包商、供應商或售賣方提供之報價單加上管理層之經驗而釐定。為確保預算準確及更新，管理層對企業預算進行定期審閱，比較預算金額及實際金額之差別。由於估計合約收益、合約成本、改動工程及合約索償需運用大量判斷，因而或會影響已完工的工程百分比釐定及溢利之確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

As at 31 December 2017, the Group had certain claims over its contracting work-in-progress and receivables in respect of disputes or prolonged negotiation between the Group and the employers in certain building construction contracts. The Group is closely monitoring the development of these contracts and has been negotiating with the employers. The directors are of the view that the carrying value of the balances as at 31 December 2017 would be fully recoverable. The determination of the recoverability involved significant management estimation.

(d) Impairment of assets

The Group assesses whether goodwill and trademark have suffered any impairment in accordance with the accounting policy stated in note 2.9. The recoverable amounts of goodwill and trademark are the higher of the assets' fair values less costs to sell and value in use.

As a result of a series of rebranding exercises of the Group during the year following the change in controlling shareholder of the Company, the Hsin Chong's trademark acquired along the Group's acquisition of the ISP business in late 2012, has been written-off during the year, resulting in a loss of approximately HK\$28,300,000 (net of tax). Furthermore, impairment charge of HK\$55,000,000 was provided on the goodwill as at 31 December 2017, also recognised upon the Group's acquisition of the ISP business in late 2012. The sensitivity analysis of the impairment of goodwill is set out in note 16.

A considerable amount of judgement and assumptions are required in estimating the recoverable amount of goodwill and trademark, including growth rate, gross margin and weighted average discount rate applied to the cashflows.

於2017年12月31日，本集團就本集團與僱主在若干建築物建造合約的糾紛或長時間磋商而對興建中的工程及應收賬款作出若干申索。本集團密切監察該等合約的發展並一直與僱主進行磋商。董事認為，該等結餘於2017年12月31日之賬面值將可全數收回。釐定可收回性時涉及重大管理層估計。

(d) 資產減值

根據附註2.9所述的會計政策，本集團評估商譽和商標是否出現減值。商譽和商標之可收回金額以資產之公允值扣除銷售成本及使用價值兩者之間較高者為準。

由於本公司變更控股股東後，本集團於本年內進行一系列重塑品牌活動，本集團於2012年底收購室內裝飾及特殊項目業務時收購的新昌商標亦已於本年度撇銷，導致約港幣28,300,000元（扣除稅項）之虧損。此外，於2017年12月31日，已就商譽減值金額港幣55,000,000元之減值撥備，亦是本集團於2012年末收購室內裝飾及特殊項目業務時確認。商譽減值之敏感度分析載於附註16。

在評估商譽和商標的可收回金額時均須作出大量判斷及假設，包括增長率、毛利率及應用於現金流量之加權平均折現率。

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(e) Income tax

The Group is subject to income taxes in Hong Kong, Macau and the PRC. Significant judgment is required in determining the provision for PRC income taxes. There are a number of transactions and calculations for which ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for potential tax exposures based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will affect the income tax and deferred tax provision in the period in which such determination is made.

5 SEGMENT INFORMATION

In accordance with the Group's internal financial reporting provided to the chief operating decision-maker, identified as the Executive Committee, who is responsible for allocating resources, assessing performance of the operating segments and making strategic decisions, the reportable operating segments are:

- property and facility management services in Hong Kong;
- property and facility management services in Mainland China;
- ancillary business including security, cleaning, laundry, procurement and maintenance contracting;
- interiors and special projects

(e) 所得稅

本集團須繳納香港、澳門及中國之所得稅。於釐定中國所得稅撥備時須作出重大判斷。在日常業務中有大量交易及計算的最終稅項釐定不能確定。本集團根據是否須繳納附加稅項之估計而確認潛在稅項風險之負債。倘若最終評稅結果與初步列賬之數額不同，則有關差額會影響釐定期間所得稅及遞延稅項之撥備。

5 分部資料

根據提呈予本集團主要業務決策者即本公司執行委員會(其負責調配資源、為各營運分部評估表現及作策略性決定)之內部財務報告，本集團須予呈報之營運分部包括：

- 香港之物業及設施管理服務；
- 中國內地之物業及設施管理服務；
- 輔助業務包括保安、清潔、洗衣、採購及保養合約；
- 室內裝飾及特殊項目

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(a) Segment Results (in HK\$'000)

(a) 分部業績(港幣千元)

		PFM 物業及設施管理			Corporate Overhead (Note I)			Total 總計
		Hong Kong 香港	Mainland China 中國內地	Ancillary Business 輔助業務	PFM Business 物業及設施 管理業務	ISP Business 室內裝飾及 特殊項目 業務	Corporate Overhead (Note I) 行政費用 (附註I)	
2017	2017年							
Revenue	收益	538,592	67,228	91,731	697,551	1,385,749	-	2,083,300
Gross profit	毛利	67,729	15,469	18,776	101,974	64,870	-	166,844
Operating expenses	經營開支	(36,600)	(16,759)	(18,364)	(71,723)	(59,208)	(15,495)	(146,426)
Operating profit/(loss) before exceptional operating items	除特殊經營項目前之 經營溢利/(虧損)	31,129	(1,290)	412	30,251	5,662	(15,495)	20,418
Doubtful debt recovery (note II)	收回壞賬(附註II)	-	12,698	349	13,047	6,771	-	19,818
Impairment of contracting work-in-progress and receivables (note 5(b))	興建中的工程及應收 賬款之減值(附註5(b))	-	(2,463)	(697)	(3,160)	(2,723)	-	(5,883)
Operating profit/(loss)	經營溢利/(虧損)	31,129	8,945	64	40,138	9,710	(15,495)	34,353
Impairment loss on goodwill	商譽之減值虧損				-	-	(55,000)	(55,000)
Amortisation of intangible assets	無形資產攤銷				-	-	(1,628)	(1,628)
Intangible asset write off	撇銷無形資產				-	-	(33,907)	(33,907)
Acquisition loan interest expenses	收購貸款之利息開支				-	-	(2,925)	(2,925)
Interest expenses	利息開支				(162)	(2,204)	-	(2,366)
Other expenses	其他開支				(840)	(900)	(339)	(2,079)
Other income	其他收入				6,377	5	-	6,382
Interest income from former ultimate holding company	來自前最終控股公司 之利息收入				294	3,125	-	3,419
Profit/(loss) before taxation	除稅前溢利/(虧損)				45,807	9,736	(109,294)	(53,751)
Taxation	稅項				(4,236)	(3,397)	5,863	(1,770)
Profit/(loss) for the year	年內溢利/(虧損)				41,571	6,339	(103,431)	(55,521)

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財務報表附註

		PFM 物業及設施管理			Corporate Overhead (Note I)			Total
		Hong Kong	Mainland China	Ancillary Business	PFM Business	ISP Business 室內裝飾及 特殊項目 業務	Corporate Overhead (Note I) 行政費用 (附註I)	Total
		香港	中國內地	輔助業務	物業及設施 管理業務	業務	行政費用 (附註I)	總計
2016	2016年							
Revenue	收益	553,836	62,100	100,562	716,498	1,716,973	-	2,433,471
Gross profit	毛利	66,299	15,170	17,480	98,949	86,304	-	185,253
Operating expenses	經營開支	(34,886)	(14,590)	(13,898)	(63,374)	(42,083)	(16,078)	(121,535)
Operating profit/(loss) before exceptional operating items	除特殊經營項目前之 經營溢利/(虧損)	31,413	580	3,582	35,575	44,221	(16,078)	63,718
Impairment of contracting work-in-progress and receivables (note 5 (b))	興建中的工程及應收 賬款之減值(附註5(b))	-	(12,698)	(349)	(13,047)	(78,705)	-	(91,752)
Operating profit/(loss)	經營溢利/(虧損)	31,413	(12,118)	3,233	22,528	(34,484)	(16,078)	(28,034)
Amortisation of intangible assets	無形資產攤銷				-	-	(3,401)	(3,401)
Intangible asset write off	撇銷無形資產				-	-	(1,755)	(1,755)
Acquisition loan interest expenses	收購貸款之利息開支				-	-	(3,660)	(3,660)
Interest expenses	利息開支				(339)	(1,960)	-	(2,299)
Other expenses	其他開支				(327)	(93)	(539)	(959)
Other income	其他收入				4,837	325	-	5,162
Profit/(loss) before taxation	除稅前溢利/(虧損)				26,699	(36,212)	(25,433)	(34,946)
Taxation	稅項				(4,439)	(327)	-	(4,766)
Profit/(loss) for the year	年內溢利/(虧損)				22,260	(36,539)	(25,433)	(39,712)

Note I: Corporate overhead mainly represents corporate and administrative activities, and shared services.

附註I: 行政費用主要為公司及行政活動，以及共享服務。

Note II: The amount represents settlement of receivables which were previously impaired.

附註II: 該金額代表收回以前發生減值的應收賬款。

(b) Impairment of Contracting work-in-progress and Receivables

A provision of approximately HK\$5,900,000 (2016: HK\$91,800,000) was included based on the impairment assessment on the remaining balance including contracting work-in-progress and receivables mainly related to Hsin Chong Group. The Company is pursuing all measures to recover the receivables.

(b) 興建中的工程及應收賬款之減值

已包括其餘餘額之減值評估作出的大約港幣5,900,000元(2016年: 港幣91,800,000元)之撥備金額(主要包括與新昌集團有關之興建中的工程及應收賬款)。本公司正採取一切措施收回有關應收賬款。

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財務報表附註

6 INTEREST EXPENSES

The entire amount was attributable to the bank loans for the current and last year.

6 利息開支

於本年度及去年度，全部金額已歸類為銀行貸款。

7 LOSS BEFORE TAXATION

7 除稅前虧損

		2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
Loss before taxation is arrived after charging/(crediting):	除稅前虧損已扣除/(計入)下列各項：		
Staff costs, including directors' emoluments (note 8)	員工成本(包括董事酬金)(附註8)	700,780	730,014
Intangible asset write off	撇銷無形資產	33,907	1,755
Depreciation	折舊	6,806	5,798
Auditor's remuneration	核數師酬金		
— Audit services	— 審核服務	1,520	1,420
— Non-audit services	— 非審核服務	223	1,718
Impairment loss on goodwill	商譽之減值虧損	55,000	—
Impairment of contracting work-in-progress	興建中的工程之減值	2,723	9,448
Impairment of receivables	應收賬款之減值	3,160	82,304
Operating lease rental on land, buildings and office equipment	土地、樓宇及辦公室設備之經營租賃租金	12,380	12,930
Interest income from former ultimate holding company	來自前最終控股公司之利息收入	(3,419)	—
Fair value gain on investment properties	投資物業之公允值收益	(2,000)	(560)
Doubtful debt recovery	收回壞賬	(19,818)	—

8 STAFF COSTS, INCLUDING DIRECTORS' EMOLUMENTS

8 員工成本(包括董事酬金)

		2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
Salaries, allowances and benefits	薪金、津貼及實物利益		
— included in cost of sales	— 計入銷售成本	582,590	629,752
— included in general and administrative expenses	— 計入一般及行政開支	95,492	75,947
Pension — defined contribution scheme	退休金 — 界定供款計劃	22,359	23,776
Share option expenses	購股權開支	339	539
		700,780	730,014

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9 BENEFITS AND INTEREST OF DIRECTORS

(a) Directors' Emoluments (in HK\$'000)

The remuneration of every director is set out below:

For the year ended 31 December 2017

Name of Director	董事姓名	Fees 袍金	Salary* 薪金*	Discretionary bonus* 酌情花紅*	Other benefits* 其他福利之 估計貨幣價值*	Employer's contribution to a retirement benefit scheme* 僱主對退休 福利計劃 之供款*	Total 總計
Executive Directors 執行董事							
Kingston Chu Chun Ho	朱俊浩	122	974	-	-	40	1,136
Terence Leung Siu Cheong	梁兆昌	150	2,420	-	52	18	2,640
Joseph Choi Kin Hung ¹	蔡健鴻 ¹	28	250	-	-	-	278
Lui Chun Pong ¹	呂振邦 ¹	28	45	-	-	2	75
Independent Non-executive Directors 獨立非執行董事							
Ronald Lau Man Tak ²	劉文德 ²	62	-	-	-	-	62
Eric Lee Hon Man ²	李翰文 ²	62	-	-	-	-	62
Edward Wong Yun Kuen ³	黃潤權 ³	20	-	-	-	-	20
Stephen Ip Shu Kwan ⁴	葉澍堃 ⁴	220	-	-	-	-	220
Kan Fook Yee	簡福齡	240	-	-	-	-	240
Wong Tsan Kwong ⁵	黃燦光 ⁵	240	-	-	-	-	240
David Yu Hon To ⁵	俞漢度 ⁵	240	-	-	-	-	240
		1,412	3,689	-	52	60	5,213

* Except for the Independent Non-executive Directors, the amounts represented emoluments in respect of services provided in connection with the management of the affairs of the Company or its subsidiaries undertaking.

¹ Resigned as an Executive Directors with effect from 9 March 2017
² Appointed as an Independent Non-Executive Directors with effect from 28 September 2017
³ Appointed as an Independent Non-Executive Director with effect from 1 December 2017
⁴ Resigned as an Independent Non-Executive Director with effect from 1 December 2017
⁵ Resigned as an Independent Non-Executive Directors with effect from 1 January 2018

9 董事福利及權益

(a) 董事酬金 (港幣千元)

各董事之薪酬載列如下：

截至2017年12月31日止年度

Name of Director	董事姓名	Fees 袍金	Salary* 薪金*	Discretionary bonus* 酌情花紅*	Other benefits* 其他福利之 估計貨幣價值*	Employer's contribution to a retirement benefit scheme* 僱主對退休 福利計劃 之供款*	Total 總計
Executive Directors 執行董事							
Kingston Chu Chun Ho	朱俊浩	122	974	-	-	40	1,136
Terence Leung Siu Cheong	梁兆昌	150	2,420	-	52	18	2,640
Joseph Choi Kin Hung ¹	蔡健鴻 ¹	28	250	-	-	-	278
Lui Chun Pong ¹	呂振邦 ¹	28	45	-	-	2	75
Independent Non-executive Directors 獨立非執行董事							
Ronald Lau Man Tak ²	劉文德 ²	62	-	-	-	-	62
Eric Lee Hon Man ²	李翰文 ²	62	-	-	-	-	62
Edward Wong Yun Kuen ³	黃潤權 ³	20	-	-	-	-	20
Stephen Ip Shu Kwan ⁴	葉澍堃 ⁴	220	-	-	-	-	220
Kan Fook Yee	簡福齡	240	-	-	-	-	240
Wong Tsan Kwong ⁵	黃燦光 ⁵	240	-	-	-	-	240
David Yu Hon To ⁵	俞漢度 ⁵	240	-	-	-	-	240
		1,412	3,689	-	52	60	5,213

* 除獨立非執行董事外，該等金額指就提供有關管理本公司或其附屬公司所進行之事務之服務收取之酬金。

¹ 由2017年3月9日起辭任執行董事
² 由2017年9月28日起獲委任為獨立非執行董事
³ 由2017年12月1日起獲委任為獨立非執行董事
⁴ 由2017年12月1日起辭任獨立非執行董事
⁵ 由2018年1月1日起辭任獨立非執行董事

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For the year ended 31 December 2016

截至2016年12月31日止年度

Name of Director	董事姓名	Fees 袍金	Salary* 薪金*	Discretionary bonus* 酌情花紅*	Estimated value of other benefits* 其他福利之 估計貨幣價值*	Employer's contribution to a retirement benefit scheme* 僱主對退休 福利計劃 之供款*	Total 總計
Executive Directors		執行董事					
Terence Leung Siu Cheong	梁兆昌	150	2,306	-	55	18	2,529
Joseph Choi Kin Hung ²	蔡健鴻 ²	170	1,200	-	-	-	1,370
Lui Chun Pong ²	呂振邦 ²	150	240	-	-	14	404
Brenda Yau Shuk Mee ¹	游淑眉 ¹	74	1,102	311	20	46	1,553
Independent Non-executive Directors		獨立非執行董事					
Stephen Ip Shu Kwan	葉澍堃	290	-	-	33	-	323
Kan Fook Yee	簡福飴	310	-	-	33	-	343
Wong Tsan Kwong	黃燦光	260	-	-	33	-	293
David Yu Hon To	俞漢度	300	-	-	33	-	333
		1,704	4,848	311	207	78	7,148

* Except for the Independent Non-executive Directors, the amounts represented emoluments in respect of services provided in connection with the management of the affairs of the Company or its subsidiaries undertaking.

* 除獨立非執行董事外，該等金額指就提供有關管理本公司或其附屬公司所進行之事務之服務收取之酬金。

¹ Resigned as an Executive Director and Managing Director with effect from 29 June 2016

¹ 由2016年6月29日起已辭任執行董事及董事總經理

² Resigned as an Executive Directors with effect from 9 March 2017

² 由2017年3月9日起辭任執行董事

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(b) Interest of Directors

- (i) During the year, no retirement benefits, payments or benefits in respect of termination of directors' services were paid or made, directly or indirectly, to the directors; nor are any payable (2016: Nil). No consideration was provided to or receivable by third parties for making available directors' services (2016: Nil).
- (ii) There are no loans, quasi-loans or other dealings in favour of directors, their controlled bodies corporate and connected entities (2016: Nil).
- (iii) No significant transactions, arrangements and contracts in relation to the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2016: Nil).

(c) Five Highest Paid Individuals

During the year, the five individuals whose emoluments were the highest in the Group include one director (2016: one) whose emoluments are included in note 9(a). The emoluments payable to the other four (2016: four) highest paid individuals during the year are as follows:

		2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	7,257	7,260
Pension — defined contribution scheme	退休金 — 界定供款計劃	272	305
Share options expense	購股權開支	84	99
		7,613	7,664

(b) 董事權益

- (i) 於本年度，並無向董事直接或間接支付或作出退休福利、有關終止董事服務之付款或福利，亦無任何就此應付之款項(2016年：無)。並無就獲得董事服務而撥備或第三方就此應收之代價(2016年：無)。
- (ii) 並無貸款、準貸款或其他以董事、彼等之控權實體法團及關連實體為受益人之交易(2016年：無)。
- (iii) 於本年度末或於本年度任何時間並無存續本公司訂立之有關本公司業務之重大交易、安排及合約，而本公司董事直接或間接於其中擁有重大權益(2016年：無)。

(c) 五位最高薪人士

本年內，本集團五位最高薪人士包括一名(2016年：一名)董事，彼等之酬金已載於附註9(a)。本年內，應付予其他四名(2016年：四名)最高薪人士之酬金詳情如下：

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The emoluments of the above individuals fell within the following bands:

上述人士的薪金介乎以下範圍：

Emolument band	酬金範圍	Number of individuals 人數	
		2017	2016
HK\$1,000,001 to HK\$2,000,000	港幣 1,000,001 元至 港幣 2,000,000 元	3	3
HK\$2,000,001 to HK\$3,000,000	港幣 2,000,001 元至 港幣 3,000,000 元	1	1
		4	4

During the year, no emoluments were paid by the Group to any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

本年內，本集團並無向任何五位最高薪人士支付任何酬金，作為促使加入或加入本集團時的酬金或作為離職補償。

10 SHARE OPTION SCHEME

At the 2013 AGM, the shareholders approved the adoption of the New Option Scheme and the termination of the Old Option Scheme, which was adopted on 19 September 2003. Share options granted under the Old Option Scheme remain effective. The New Option Scheme and Old Option Scheme were set up for the purpose of recognising and motivating the contribution of the eligible persons to the Company and or any of its subsidiaries and/or any invested entity.

Under the option schemes, the directors may at their absolute discretion grant options to eligible persons who are employee or directors of the Company or its subsidiaries. There were no minimum holding period for which an option must be held before exercised. The commencement date of an option period should be specified by the Board in the relevant offer letter.

Options are granted under the plans for consideration of HK\$1.00 for each grant and carry no dividend or voting rights.

The subscription price in respect of any option granted shall be a price determined by the Board and notified to each grantee and shall not be less than the highest of (i) the nominal value of a share; (ii) the average of the closing prices of the shares for the five business days immediately preceding the date on which an offer for grant of an option is made; and (iii) the closing price of the shares on the new offer date which must be a business day.

10 購股權計劃

於2013年股東周年大會上，股東批准採納新購股權計劃及終止於2003年9月19日採納的舊購股權計劃。根據舊購股權計劃授出的購股權依然有效。新購股權計劃及舊購股權計劃旨在表揚及鼓勵合資格人士對本公司或其任何附屬公司及／或任何投資實體作出貢獻。

根據購股權計劃，董事會可按其絕對酌情權向合資格人士（為本公司或其附屬公司之僱員或董事）授出購股權。購股權並無獲行使前的最短持有期限。購股權期間的開始日期應由董事會於有關要約函件列明。

根據計劃授出的購股權，每次授出的代價為港幣1.00元，並無附有股息或投票權。

已授出的任何購股權的認購價應為董事會釐定及通知各承授人的價格，惟不得低於下列三者中之最高者：(i) 股份面值；(ii) 股份於作出購股權要約的日期前五個營業日之平均收市價；及(iii) 股份於新要約日期（必須為營業日）之收市價。

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財務報表附註

Movements in the share options under the Option Scheme during the last 2 years are shown as follows:

過往兩年，根據購股權計劃之購股權之變動列示如下：

		Average exercise price 平均行使價 (HK\$ per share) (每股港幣元)	Number of share options 購股權數目 '000 千股
As at 1 January 2016	於2016年1月1日	0.95	8,494
Exercised	已行使	0.91	(2,868)
Lapsed	已失效	0.95	(840)
As at 31 December 2016 and 1 January 2017	於2016年12月31日及 2017年1月1日	0.95	4,786
Exercised	已行使	-	(4,786)
As at 31 December 2017	於2017年12月31日	-	-

During the year, the weighted average closing price of the share of the Company immediately before the dates on which the share options were exercised was HK\$1.56 (2016: HK\$1.59).

於本年度，本公司股份於緊接購股權獲行使前日期之加權平均收市價為港幣1.56元(2016年：港幣1.59元)。

Share options outstanding have the following expiry date and exercise price:

尚未行使購股權之到期日及行使價如下：

Expiry date 到期日		Average exercise price 平均行使價 (HK\$ per share) (每股港幣元)	Number of share options ('000) 購股權數目(千股)	
			2017	2016
27 May 2017	2017年5月27日	0.952	-	500
6 June 2017	2017年6月6日	0.86	-	196
15 October 2018	2018年10月15日	0.85	-	100
27 May 2019	2019年5月27日	0.952	-	3,990

No share options were outstanding as at 31 December 2017 (31 December 2016: 4,786,000).

截至2017年12月31日止，並無尚未行使之購股權(2016年12月31日：4,786,000)。

11 TAXATION

Hong Kong profits tax has been provided at the rate of 16.5% (2016: 16.5%) on the estimated assessable profits/(loss) for the year after application of available tax losses brought forward for both years. Taxation on overseas profits has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the countries in which the Group operates.

11 稅項

兩個年度的香港利得稅乃按有關年度之估計應課稅溢利／(虧損)扣除自往年結轉之可動用稅損後以稅率16.5%(2016年：16.5%)撥備。本集團之海外溢利稅項乃按本年度估計應課稅溢利以其經營所在國家之現行稅率計算。

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The amount of tax charged/(credited) to the consolidated income statement represents:

綜合損益表扣除/(計入)之稅項金額如下：

		2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
Current taxation	當期稅項		
Hong Kong profits tax	香港利得稅		
— provision for the year	— 年內撥備	7,768	4,541
— (over)/under provision in prior years	— 過往年度 (超額)/不足撥備	(35)	1,088
Overseas tax	海外稅項		
— provision for the year	— 年內撥備	108	—
Deferred taxation (note 25)	遞延稅項(附註25)	(6,071)	(863)
		1,770	4,766

The taxation on the Group's loss before taxation differs from the theoretical amount that would arise using the taxation rate of the home country of the Company as follows:

本集團除稅前虧損之稅項與按本公司所在國家之稅率應產生之理論稅款之差額如下：

		2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
Loss before taxation	除稅前虧損	(53,751)	(34,946)
Calculated at a taxation rate of 16.5% (2016: 16.5%)	按稅率16.5%計算 (2016年：16.5%)	(8,869)	(5,766)
Effect of different taxation rates in other tax jurisdictions	其他稅務司法權區不同稅率 之影響	2,761	(731)
(Over)/under provision in prior years	過往年度(超額)/不足撥備	(113)	1,070
Income not subject to taxation	毋須課稅收入	(339)	(117)
Expenses not deductible for taxation purposes	不可扣稅開支	10,427	980
(Utilisation of unrecognised tax losses)/unrecognised tax losses	(動用未獲確認之稅項虧損)/ 未獲確認之稅項虧損	(1,869)	9,330
Temporary difference not recognised	未確認之暫時差額	(96)	—
Recognition of previously unrecognised temporary difference	確認過往未曾確認之暫時差額	(132)	—
		1,770	4,766

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

12 DIVIDEND

12 股息

		2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
(a) Dividend attributable to the current year:	(a) 本年度應佔股息：		
No Interim dividend proposed (2016: 1.5 HK cents)	並無建議宣派中期股息 (2016年：港幣1.5仙)	-	6,419
No final dividend proposed (2016: Nil)	並無建議宣派末期股息 (2016年：無)	-	-
		-	6,419
(b) Dividend attributable to the previous year, approved and paid during the year:	(b) 屬上一個年度，於本年內批准及支付之股息：		
No final dividend proposed (2016: 2.5 HK cents)	並無建議宣派末期股息 (2016年：港幣2.5仙)	-	10,692

At a meeting held on 27 March 2018, the Board resolved not to declare final dividend for year ended 31 December 2017 (2016: Nil).

於2018年3月27日舉行之會議上，董事會議決不就截至2017年12月31日止年度宣派股息(2016年：無)。

13 LOSSES PER SHARE

13 每股虧損

(a) Basic losses per share is calculated by dividing the Group's loss attributable to the equity holders less dividends to convertible preference shareholders by the weighted average number of ordinary shares in issue during the year.

(a) 每股基本虧損乃根據股權持有人應佔本集團虧損減可轉換優先股股權持有人之股息除以本年內已發行普通股加權平均數計算。

		2017	2016
Loss attributable to equity holders (HK\$'000)	股權持有人應佔虧損 (港幣千元)	(54,377)	(39,483)
Less: dividends to convertible preference shareholders (HK\$'000)	減：可轉換優先股股權持有人之股息(港幣千元)	-	(1,200)
Loss attributable to ordinary shareholders (HK\$'000)	普通股股權持有人應佔虧損 (港幣千元)	(54,377)	(40,683)
Weighted-average ordinary shares issued ('000)	已發行普通股加權平均數 (千股)	393,376	347,982
Basic losses per share (HK cents)	每股基本虧損(港幣仙)	(13.8)	(11.7)

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(b) The diluted losses per share for the year ended 31 December 2017 and 2016 is the same as the basic losses per share because the exercise of the Group's share options and CPSs would result in a decrease in losses per share for the year.

(b) 截至2017年及2016年12月31日止年度之每股攤薄虧損與每股基本虧損相同，原因為行使本集團購股權及可轉換優先股將導致年內每股虧損減少。

14 PROPERTY, PLANT AND EQUIPMENT

14 物業、機器及設備

		Leasehold improvements 租賃物業裝修 HK\$'000 港幣千元	Motor vehicles 汽車 HK\$'000 港幣千元	Furniture and equipment 傢俱及設備 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Cost	成本				
At 1 January 2016	於2016年1月1日	6,350	3,741	52,424	62,515
Exchange differences	匯兌差額	(18)	(61)	(229)	(308)
Additions	添置	7,234	1,565	3,605	12,404
Disposals	出售	(1,210)	(244)	(1,477)	(2,931)
At 31 December 2016	於2016年12月31日	12,356	5,001	54,323	71,680
Exchange differences	匯兌差額	24	134	251	409
Additions	添置	1,311	748	6,529	8,588
Disposals	出售	(128)	(962)	(1,965)	(3,055)
At 31 December 2017	於2017年12月31日	13,563	4,921	59,138	77,622
Accumulated depreciation	累計折舊				
At 1 January 2016	於2016年1月1日	(5,660)	(3,393)	(46,579)	(55,632)
Exchange differences	匯兌差額	20	64	215	299
Additions	添置	(1,709)	(367)	(3,722)	(5,798)
Disposals	出售	1,210	244	1,432	2,886
At 31 December 2016	於2016年12月31日	(6,139)	(3,452)	(48,654)	(58,245)
Exchange differences	匯兌差額	(24)	(65)	(211)	(300)
Additions	添置	(2,430)	(600)	(3,776)	(6,806)
Disposals	出售	128	950	1,914	2,992
At 31 December 2017	於2017年12月31日	(8,465)	(3,167)	(50,727)	(62,359)
Closing net book value	年終賬面淨值				
At 31 December 2017	於2017年12月31日	5,098	1,754	8,411	15,263
At 31 December 2016	於2016年12月31日	6,217	1,549	5,669	13,435

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15 INVESTMENT PROPERTIES

15 投資物業

		2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
At 1 January	於1月1日	3,600	3,040
Unrealised gain arising from change in fair value	公允值變動產生之未變現收益	2,000	560
At 31 December	於12月31日	5,600	3,600
Properties in Hong Kong held under medium-term lease (more than ten years but less than fifty years)	根據中期租賃持有香港物業 (超過10年但少於50年)	5,600	3,600

Note: The investment properties were valued as of year-end date on the basis of their open market value by an independent professional property valuer, Savills Valuation and Professional Services Limited.

附註：投資物業於年末由獨立專業物業估值師第一太平戴維斯估值及專業顧問有限公司按公開市值基準估計。

(a) Valuation processes of the Group

The Group measures its investment properties at fair value. The fair value of the Group's investment properties at 31 December 2017 has been determined on the basis of valuations carried out by independent valuers not related to the Group. The Group engaged Savills Valuation and Professional Services Limited to value its investment properties. Discussion of valuation processes and results are held between the Group's senior management and valuers at least once every six months, in line with the Group's interim and annual reporting dates. At each reporting date the Group's senior management:

- verifies all major inputs to the independent valuation report;
- assess property valuations movement when compared to the prior period valuation report; and
- holds discussions with the independent valuers.

Change in Levels 2 and 3 fair values are also analysed at each reporting date during the bi-annual valuations discussions date between the Group's senior management.

(a) 本集團之估值程序

本集團按公允值計量其投資物業。本集團之投資物業於2017年12月31日之公允值乃按與本集團並無關連之獨立估值師進行之估值釐定。本集團委聘第一太平戴維斯估值及專業顧問有限公司對其投資物業進行估值。本集團高層管理人員與估值師至少每六個月(與本集團之中期及年度報告日期一致)進行一次估值程序及結果討論。於各報告日期，本集團高層管理人員：

- 查核獨立估值報告內的所有重要輸入數據；
- 與上一期間的估值報告進行比較時評估物業估值變動；及
- 與獨立估值師進行討論。

本集團高層管理人員亦對第二級及第三級公允值之變動於各報告日期進行一年兩度之估值討論時進行分析。

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(b) Fair value hierarchy

The following tables analyses the fair value of investment properties at different levels defined as follows:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

(b) 公允值層級

下表載列不同層級之投資物業公允值分析，有關層級之定義如下：

- 同類資產或負債於活躍市場上之報價(未經調整)(第一級)。
- 計入第一級內之報價以外之資產或負債之可觀察輸入數據，不論直接(即價格)或間接(衍生自價格)(第二級)。
- 並非基於可觀察市場數據之資產或負債輸入數據(不可觀察輸入數據)(第三級)。

		Quoted prices in active market for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		同類資產 於活躍市場上 之報價(第一級)	重大其他 可觀察輸入 數據(第二級)	重大不可觀察 輸入數據 (第三級)
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
As at 31 December 2017	於2017年12月31日			
Recurring fair value measurements	經常性公允值計量			
Investment properties	投資物業	—	5,600	—
As at 31 December 2016	於2016年12月31日			
Recurring fair value measurements	經常性公允值計量			
Investment properties	投資物業	—	3,600	—

There were no transfers between Levels 1, 2 and 3 during the year.

本年度內，第一級、第二級及第三級之間並無轉撥。

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Fair value measurements using significant other observable inputs (Level 2)

Fair value of the investment properties are derived using the direct comparison method. This valuation method is based on comparing the property to be valued directly with other comparable properties, which have recently transacted. However, given the heterogeneous nature of the properties, appropriate adjustments are usually required to allow for any qualitative differences that may affect the price likely to be achieved by the property under consideration.

使用重大其他可觀察輸入數據之公允值計量(第二級)

投資物業之公允值使用直接比較法得出。此估值法乃以將予估值之物業與近期交易之其他可資比較物業進行之直接比較為基礎。然而，由於各物業之性質互不相同，通常須作出適當調整，而允許存在可能影響標的物業可能達致之價格之任何質化差異。

16 INTANGIBLE ASSETS AND GOODWILL

16 無形資產及商譽

		Goodwill 商譽 HK\$'000 港幣千元	Trademark 商標 HK\$'000 港幣千元	Backlog orders 未完成訂單 HK\$'000 港幣千元	Non-competition agreement 不競爭協議 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Cost	成本					
At 1 January 2016	於2016年1月1日	171,794	48,826	15,934	2,393	67,153
Write off during the year	年內撇銷	-	-	-	(2,393)	(2,393)
At 31 December 2016	於2016年12月31日	171,794	48,826	15,934	-	64,760
Write off during the year	年內撇銷	-	(48,826)	-	-	(48,826)
At 31 December 2017	於2017年12月31日	171,794	-	15,934	-	15,934
Accumulated amortisation/impairment	累計攤銷/減值					
At 1 January 2016	於2016年1月1日	-	(10,036)	(15,934)	(492)	(26,462)
Amortisation for the year	年內攤銷	-	(3,255)	-	(146)	(3,401)
Write off during the year	年內撇銷	-	-	-	638	638
At 31 December 2016	於2016年12月31日	-	(13,291)	(15,934)	-	(29,225)
Amortisation for the year	年內攤銷	-	(1,628)	-	-	(1,628)
Impairment charge	減值金額	(55,000)	-	-	-	-
Write off during the year	年內撇銷	-	14,919	-	-	14,919
At 31 December 2017	於2017年12月31日	(55,000)	-	(15,934)	-	(15,934)
Net Book Value	賬面淨值					
At 31 December 2017	於2017年12月31日	116,794	-	-	-	-
At 31 December 2016	於2016年12月31日	171,794	35,535	-	-	35,535

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Impairment Loss

The Company acquired interiors and special projects business (the “ISP Business”) in late 2012 (the “Acquisition”), which are the provision of alteration and addition, demolition, renovation and conservation, fitting-out, maintenance and construction works in Hong Kong, Mainland China and Macau. The goodwill generated from the Acquisition was allocated to ISP Business segment. As a result of the Acquisition, the Company is required to assess the carrying value of the goodwill annually. Accordingly, the Company has performed the annual assessment of impairment on goodwill based on the recoverable amount of ISP Business derived from cash flow projections based on approved management budget over a three-year period. However, primarily due to the lack of substantial new orders replenishment of ISP business during the year and the increasingly competitive business environment of ISP Business, the carrying value of the goodwill related to Acquisition in late 2012 has been reduced by a non-cash impairment charge of HK\$55.0 million to its estimated recoverable amount.

Pursuant to the requirements of HKAS 36 – Impairment of Assets, the assets has to be carried at no more than their recoverable amounts. The goodwill impairment was calculated by reference to value-in-use model based on a three-year cash flow projection with the assumptions as set out in the table below.

Inherent in the development of the present value of future cash flow forecast are assumptions and estimates derived from a review of the expected annual revenue growth rates, gross and net profit margins, business plans, future market conditions and inflation rates.

The Company determined the financial forecast based on the past performance and its expectations for the market development. The key assumptions and parameters used for determination of the recoverable amount of the ISP Business are as follows:

		2017	2016
Average annual revenue growth (note 1)	平均年度收益增長率(附註1)	1.3%	8.0%
Average gross profit margin (note 2)	平均毛利率(附註2)	4.4%	4.7%
Terminal growth rate (note 3)	終端增長率(附註3)	3%	3%
Discount rate (note 4)	折現率(附註4)	13%	13%
Recoverable amount (HK\$'000)	可收回金額(千港元)	117,000	259,000

減值虧損

本公司於2012年底收購室內裝飾及特殊項目業務(「室內裝飾及特殊項目業務」)(「收購事項」)，於香港、中國內地及澳門提供改建及加建、拆建、翻新及保育、裝修、保養及建築工程。收購事項所產生商譽分配至室內裝飾及特殊項目業務分部。由於收購事項，本公司須每年評估的商譽賬面值。故此，本公司已根據室內裝飾及特殊項目業務的可收回金額就商譽減值作出年度評估，方法按管理層批核的三年期預算計算的現金流預測。然而，由於年內室內裝飾及特殊項目業務缺乏大額新訂單補充，且室內裝飾及特殊項目業務的業務環境競爭日益劇烈，有關2012年底收購事項的商譽賬面值減少非現金商譽減值開支55,000,000港元至其估計可收回金額。

根據香港會計準則第36號 — 資產減值的規定，有關資產的賬面值不可高於其可收回金額。商譽減值乃參考使用價值範本而根據三年期現金流預測計算，連同下表所載的假設。

未來現金流預測現值發展中固有因素為審閱預期年度收益增長率、毛利率及純利率、業務規劃、未來市場狀況及通脹率所得出的假設及估計。

本公司根據過往表現及其對市場發展的預期作出財務預測。釐定室內裝飾及特殊項目業務可收回金額所使用的關鍵假設及參數如下：

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Notes:

1. Average annual revenue growth rates cover the three-year forecast period which is estimated based on the business past performance, outstanding work orders as at year end and management's expectations on the market development. During the year, the Group applied a lower average annual revenue growth rate of 1.3% due to the fewer new orders awarded and keen competition for ISP Business. The substantial decrease in terms of revenue and profits compared with last year is resulted from poor performance of ISP Business this year.
2. The Group adopted a lower average gross profit margin in 2017 in light of the increasing market competition over the ISP Business.
3. The terminal growth rates do not exceed the long-term average growth rate of the ISP Business.
4. Post-tax discount rate applied to the post-tax cash flow forecast and reflects specific risks relating to the relevant segments.

There was no subsequent change in the valuation method.

If the budgeted gross profit margin used in the value-in-use calculation for the ISP business had been 0.5% lower than management's estimates at 31 December 2017 (3.9% instead of 4.4%), the group would have had to recognise an further impairment against the carrying amount of goodwill of HK\$51,000,000.

If the budgeted revenue over the three-year forecasted period used in the value-in-use calculation for the ISP business had been 5% lower than management's estimates at 31 December 2017, the group would have had to recognise an further impairment against the carrying amount of goodwill of HK\$23,000,000.

If the post-tax discount rate applied to the cash flow projections had been 1% higher than management's estimates, the group would have had to recognise an further impairment against the goodwill of HK\$17,000,000.

As a result of a series of rebranding exercise of the Group in the reporting period following the change in controlling shareholder of the Company, the Hsin Chong's trademark acquired along the Group's acquisition of the ISP business in late 2012, has been written-off during the year, resulting in loss of approximately HK\$28,300,000 (net of tax).

附註：

1. 平均年度收益增長率覆蓋三年預測期間。此乃根據過往業務表現、年末尚未完成工程訂單及管理層對市場發展的預期而估算得出。年內，本集團平均年度收益增長率為1.3%，增長率較低的原因為室內裝飾及特殊項目業務獲授的新訂單減少且競爭激烈。收益及溢利較去年大幅減少乃由於本年度室內裝飾及特殊項目業務表現欠佳。
2. 於2017年，本集團平均毛利率較低的原因，由於室內裝飾及特殊項目業務的市場競爭日趨激烈。
3. 終端增長率不會超過室內裝飾及特殊項目業務的長期平均增長率。
4. 稅後折現率應用於稅後現金流預測並反映了相關分部涉及的特定風險。

其後概無更改估值方法。

於2017年12月31日，倘計算室內裝飾及特殊項目業務的在用價值時所用之預算毛利率較管理層估計低0.5%（即3.9%而非4.4%），本集團將就商譽賬面值確認額外減值港幣51,000,000元。

於2017年12月31日，倘計算室內裝飾及特殊項目業務的在用價值時所用之三年預測期間之預算收益較管理層估計低5%，本集團將就商譽賬面值確認額外減值港幣23,000,000元。

倘現金流量預測所用之除稅後貼現率較管理層估計高1%，本集團將就商譽確認額外減值港幣17,000,000元。

由於本集團更換控股股東後於報告期間進行一連串重新定位活動，本集團於2012年底收購室內裝飾及特殊項目業務時收購的新昌商標亦已於本年度撇銷，導致虧損約港幣28,300,000元（扣除稅項）。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

17 CONTRACTING WORK-IN-PROGRESS

17 興建中的工程

		2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
Gross amounts due from customers for contract work	應收客戶之工程款項毛額	356,618	420,860
Less: impairment	減：減值	(7,324)	(9,448)
		349,294	411,412
Contract costs incurred plus attributable profits less foreseeable losses	所產生合約成本加應佔溢利減可預見虧損	1,140,764	1,407,859
Less: progress payments received and receivables	減：已收及應收進度付款	(798,288)	(993,772)
Less: impairment	減：減值	(7,324)	(9,448)
		335,152	404,639
Representing by:	呈列為：		
Gross amounts due from customers for contract work included in stocks and contracting work-in-progress	存貨及興建中的工程項下包括應收客戶之工程款項毛額	349,294	411,412
Gross amounts due to customers for contract work included in payables and accruals	應付賬款及應計費用項下包括應付客戶之工程款項毛額	(14,142)	(6,773)
		335,152	404,639

The Group made a provision for amounts of contracting work-in-progress of approximately HK\$9,448,000 based on the impairment assessment for the year ended 31 December 2016 which was mainly related to Hsin Chong Group. Contracting work-in-progress of approximately HK\$4,847,000 previously impaired were reallocated to receivables during the year. Further provision for amounts of contracting work-in-progress of approximately HK\$2,723,000 based on the impairment assessment for the year ended 31 December 2017 which related to Hsin Chong Group has been made as well. As a result, the total contracting work-in-progress with provision for impairment as at 31 December 2017 was approximately HK\$7,324,000.

Movements in the provision for impairment of contracting work-in-progress that are assessed for impairment collectively are as follows:

根據對於截至2016年12月31日止年度主要就新昌集團作出的減值評估，本集團就興建中的工程撥備款項約港幣9,448,000元。本年內，先前已減值之興建中的工程約港幣4,847,000元已重新分配至應收賬款。根據截至2017年12月31日止年度之減值評估，已就有關新昌集團之興建中的工程作出約港幣2,723,000元的額外撥備。因此，於2017年12月31日，擁有減值撥備之興建中的工程總額約港幣7,324,000元。

興建中的工程(集體評估減值)之減值撥備變動如下：

		2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
Contracting Work-in-progress under impairment	減值之興建中的工程		
At 1 January	於1月1日	9,448	-
Provision for impairment transferred to receivables (note 18)	已轉入應收賬款之減值撥備(附註18)	(4,847)	-
Provision for impairment recognised during the year	年內已確認之減值撥備	2,723	9,448
At 31 December	於12月31日	7,324	9,448

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

18 RECEIVABLES, DEPOSITS AND PREPAYMENTS

The credit period of the Group's accounts receivable generally ranges from 30 to 60 days (2016: 30 to 60 days) and the majority of the Group's accounts receivable are denominated in Hong Kong dollars. The ageing analysis of accounts receivable by invoice date is as follows:

		2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
Accounts receivable	應收賬款		
0 to 30 days	0至30日	173,954	157,934
31 to 60 days	31至60日	43,424	39,491
61 to 90 days	61至90日	15,977	10,442
Over 90 days	90日以上	120,289	81,160
		353,644	289,027
Retention receivables and other receivables	應收保固金及其他應收款項	207,537	191,686
Receivables	應收賬款	561,181	480,713
Deposits and prepayments	按金及預付款項	22,429	26,622
		583,610	507,335
Impairment of accounts receivables, retention receivables and other receivables	應收賬款、應收保固金及其他應收款項之減值	(70,577)	(82,304)
		513,033	425,031

Retention receivables in respect of the contracting business are settled in accordance with the terms of the respective contracts. At 31 December 2017, retention receivables held by customers for contract works amounting to approximately HK\$39,409,000 (2016: HK\$48,487,000) are expected to be recovered or settled in more than twelve months from the end of the reporting period.

As of 31 December 2017, accounts receivable of HK\$111,892,000 (2016: HK\$47,575,000) were past due but not impaired. These related to a number of independent customers for whom there is no recent history of default. Accounts receivable of HK\$58,980,000 (2016: HK\$74,611,000) were past due and impaired which mainly related to Hsin Chong Group. The ageing analysis of accounts receivables that were past due but not impaired is as follows:

		2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
Accounts receivable	應收賬款		
1 to 30 days	1至30日	44,256	33,784
31 to 60 days	31至60日	16,667	7,807
61 to 90 days	61至90日	20,553	2,517
Over 90 days	90日以上	30,416	3,467
		111,892	47,575

18 應收賬款、按金及預付款項

本集團應收賬款之信貸期一般介乎30至60日(2016年:30至60日)。本集團之大部分應收賬款乃按港幣計值。按發票日期分類之應收賬款之賬齡分析如下:

承建業務之應收保固金乃根據相關合約條款結付。於2017年12月31日,約港幣39,409,000元(2016年:港幣48,487,000元)之客戶就訂約工程持有的應收保固金預期於報告期末起計12個月後收回或結付。

於2017年12月31日,港幣111,892,000元(2016年:港幣47,575,000元)之應收賬款已逾期但未減值。該等款項與多名近期並無違約記錄的獨立客戶有關。已逾期及減值之港幣58,980,000元(2016年:港幣74,611,000元)之應收賬款主要與新昌集團有關。按逾期日數但無減值分類之應收賬之賬齡分析如下:

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

The Group made a provision for amounts of receivables of approximately HK\$82,304,000 based on the impairment assessment for the year ended 31 December 2016 which was mainly related to Hsin Chong Group. Contracting work-in-progress approximately HK\$4,847,000 previously impaired were reallocated to receivables and has also been impaired during the year. Further provision for amounts of receivables of approximately HK\$3,160,000 based on the impairment assessment for the year ended 31 December 2017 which related to Hsin Chong Group has been made as well. During the year, approximately HK\$19,818,000 of receivables which were previously impaired, have been recovered and approximately HK\$19,020,000 has been settled under the settlement agreement and supplemental agreement that have been entered with Hsin Chong for the repayment of remaining balance of receivables by 1 June 2018 at the latest. As a result, the total receivables with provision for impairment as at 31 December 2017 were approximately HK\$70,577,000.

The amount of receivable of approximately HK\$63,380,000 was outstanding to be recovered the settlement agreements with Hsin Chong Group. The maximum exposure to credit risk at the reporting date is the carrying value of the receivables mentioned above. The Group does not hold any collateral as security.

Movements in the provision for impairment of trade, retention and other receivables that are assessed for impairment collectively are as follows:

根據截至2016年12月31日止年度的減值評估，本集團計提應收款項撥備約港幣82,304,000元，主要與新昌集團有關。先前已減值之興建中的合約工程約港幣4,847,000元已調整至應收款項及已於本年度作出減值。根據截至2017年12月31日止年度的減值評估，本集團並已計提與新昌集團有關之應收款項撥備約港幣3,160,000元。於本年度，已計入收回早前已減值應收款項約港幣19,818,000元，而其中約港幣19,020,000元，此乃根據與新昌就最遲於2018年6月1日償還應收款項餘額訂立之還款協議及補充協議項下償還。因此，於2017年12月31日，計提減值撥備的應收款項總額為約港幣70,577,000元。

尚未償還之餘款約港幣63,380,000元將透過與新昌集團的還款協議項下收回。於報告日期面臨的最大信貸風險為上述應收賬款之賬面值。本公司並無持有任何抵押品作為擔保。

集體評估減值之貿易，保固金及其他的應收賬款的減值撥備變動如下：

		2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
Receivables under impairment	減值之應收賬款		
At 1 January	於1月1日	82,304	-
Provision for impairment transferred from contracting work-in-progress (note 17)	轉自興建中的工程之減值撥備 (附註17)	4,847	-
Provision for impairment recognised during the year	年內已確認之減值撥備	3,160	82,304
Doubtful debts recovery	收回壞賬	(19,818)	-
Exchange difference arising from the provision of impairment during the year	年內減值撥備產生之匯兌差異	84	-
At 31 December	於12月31日	70,577	82,304

19 BALANCES WITH NON-CONTROLLING INTERESTS

Balances with non-controlling Interests are unsecured, interest free, repayable on demand with no fixed terms of repayment and mainly denominated in Hong Kong dollars.

19 非控股權益結餘

非控股權益結餘乃無抵押、免息、須應要求償還而沒有固定還款期及主要以港幣為單位。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

20 DEPOSITS, CASH AND CASH EQUIVALENTS

20 存款、現金及現金等值

		2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
Cash and bank balance	現金及銀行結餘	92,038	111,723
Time deposits with original maturities less than three months	原到期日為三個月以下的定期銀行存款	20,494	-
Cash and cash equivalents	現金及現金等值	112,532	111,723
Time deposits with original maturities over three months	原到期日超過三個月的定期銀行存款	3,666	17,561
		116,198	129,284

The majority of the Group's deposits, cash and cash equivalents is denominated in Hong Kong dollars.

本集團之存款、現金及現金等值大部份以港幣為單位。

The deposits, cash and cash equivalents disclosed above and in the consolidated statement of cash flows include HK\$32,760,000 which are held in the PRC. These deposits are subject to regulatory restrictions and are therefore not available for general use by the other entities within the group.

上文披露的存款、現金及現金等值和計入綜合現金流量表港幣32,760,000元均在中國存置。該等存款受監管限制，因此集團內其他實體不可將其用作為一般用途。

21 PAYABLES AND ACCRUALS

21 應付賬款及應計費用

The credit period of the Group's accounts payable generally ranges from 30 to 60 days (2016: 30 to 60 days). The ageing analysis of accounts payable by invoice date is as follows:

本集團應付賬款之信貸期一般介乎30至60日(2016年：30至60日)。按發票日期分類之應付賬款之賬齡分析如下：

		2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
Accounts payable	應付賬款		
0 to 30 days	0至30日	375,704	400,210
31 to 60 days	31至60日	21,694	55,281
61 to 90 days	61至90日	16,286	25,394
Over 90 days	90日以上	38,879	46,399
		452,563	527,284
Retention payables, other payables and accruals	應付保固金、其他應付賬款及應計費用	226,494	212,943
Amounts due to customers for property and facility services	應付客戶之物業和設施服務費用	10,955	6,368
Amounts due to customers for contract work	應付客戶之工程費用	14,142	6,773
		704,154	753,368

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Retention payables in respect of the contracting business are settled in accordance with the terms of the respective contracts. At 31 December 2017, retention payables held by the Group amounting to approximately HK\$19,924,000 (2016: HK\$27,403,000) are expected to be settled in more than twelve months from the end of the reporting period.

承建業務之應收保固金乃根據相關合約條款結付。於2017年12月31日，本集團所持約港幣19,924,000元(2016年：港幣27,403,000元)之應付保固金預期於報告期末起計12個月後結付。

22 SHARE CAPITAL

22 股本

		Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 港幣千元
Issued and fully paid:	已發行及繳足：		
Ordinary shares	普通股		
At 1 January 2017	於2017年1月1日	350,544	35,055
Share issued upon exercise of options granted under the Share Option Scheme	根據購股權計劃授出之購股權獲行使而發行的股份	4,786	479
Placing of new shares (note a)	配售新股份(附註(a))	69,520	6,952
At 31 December 2017	於2017年12月31日	424,850	42,486
Convertible preference shares (note b)	可轉換優先股(附註(b))		
At 1 January 2017 and 31 December 2017	於2017年1月1日及2017年12月31日	80,000	8,000
Ordinary shares and convertible preference shares issued and fully paid	已發行及繳足之普通股及可轉換優先股		
At 31 December 2017	於2017年12月31日	504,850	50,486
At 31 December 2016	於2016年12月31日	430,544	43,055

Note:

(a) The Company entered into a placing agreement on 12 May 2017, pursuant to which 69,520,000 new shares of the Company were placed to independent investors at the placing price of HK\$1.09 per share. The completion of placing took place on 13 June 2017.

附註：

(a) 本公司於2017年5月12日訂立配售協議，據此，69,520,000股本公司新股份配售予獨立投資者，配售價為每股港幣1.09元。配售於2017年6月13日完成。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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|---|--|
| <p>(b) 80,000,000 CPSs of HK\$0.75 each were issued as part of the consideration paid for the acquisition of ISP business in late 2012. The rights, privileges and restrictions of the CPS are set out below:</p> <p>i) Dividend</p> <p>Holder of each CPS shall have the same entitlement to dividend and other income distribution as the holder of each ordinary share of the Company and shall rank pari passu with ordinary shares of the Company as to dividend payments.</p> <p>ii) Return on capital</p> <p>On winding up of the Company, the holder of the CPSs shall be entitled to the return of capital on the basis of the issue price of the CPSs and in priority to ordinary shares of the Company.</p> <p>iii) Conversion rights</p> <p>The CPSs is convertible at the option of the holder at any time after the issue date. Conversion of the CPSs shall subject to, among others, the minimum public float requirements stipulated under the Listing Rules or as required by the Stock Exchange being satisfied.</p> <p>iv) Conversion price</p> <p>The conversion price is HK\$0.75, subject to adjustment in accordance with the terms of the CPS. The adjustment event includes consolidation, sub-division, rights issue, issue of the Company's shares for cash and grant of options or warrants to subscribe for new shares of the Company at a discount of more than 20% of the market price.</p> <p>v) Redemption</p> <p>The Company shall have the sole right to redeem the CPSs at any time after the issue at the issue price of the CPSs, i.e. HK\$0.75 per share.</p> | <p>(b) 已發行80,000,000股每股面值港幣0.75元之可換股優先股，作為於2012年年末收購室內裝飾及特殊項目業務已付代價之一部分。可換股優先股之權利、特權和限制如下：</p> <p>i) 股息</p> <p>每股可換股優先股之持有人與每股本公司普通股之持有人於股息及其他收入分派方面享有同等權利，且於派息方面與本公司普通股享有同等地位。</p> <p>ii) 資本退還</p> <p>可換股優先股之持有人有權利於本公司清盤時優先於本公司普通股按可換股優先股之發行價基準獲資本退還。</p> <p>iii) 換股權</p> <p>持有人可選擇於發行日期後任何時間轉換可換股優先股。轉換可換股優先股須待達到(其中包括)上市規則所規定或聯交所要求之最低公眾持股量後，方可進行。</p> <p>iv) 兌換價</p> <p>兌換價港幣0.75元，可根據可換股優先股之條款予以調整。該等調整事件包括合併、拆細、供股及發行本公司股份以獲取現金，以及授出購股權或認股權證以按市價逾20%之折讓認購本公司新股份。</p> <p>v) 贖回</p> <p>本公司擁有獨有權利，可於發行日期後任何時間按發行價(即每股港幣0.75元)贖回可換股優先股。</p> |
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23 CAPITAL AND RESERVES

Details of movement in the reserves of the Group are set out on page 103.

23 股本及儲備

本集團儲備變動詳情載於第103頁。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

24 LONG SERVICE PAYMENT LIABILITIES

Under the Hong Kong Employment Ordinance, the Group is obliged to make lump sum payments on cessation of employment in certain circumstances to certain employees who have completed at least five years of service with the Group. The amount payable is dependent on the employee's final salary and years of service, and is reduced by entitlements accrued under the Group's defined contribution retirement scheme that is attributable to contributions made by the Group. The Group does not set aside any assets to fund any remaining obligations.

The liability recognised in the balance sheet is present value of unfunded obligation and its movements are as follows:

24 長期服務金負債

根據香港《僱傭條例》，本集團有責任向於本集團服務年資達五年或以上而在若干情況下停止受僱的僱員付出一筆過的金額。所支付的金額乃根據僱員的最終薪金及服務年數而釐定，並扣除僱員在本集團界定供款退休計劃下應計權益中本集團所供之款項。本集團並無撥出任何資產以為任何剩餘的責任提供資金。

於資產負債表內確認之負債乃為未撥付責任之現值及其變動如下：

		2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
At 1 January	於1月1日	2,378	3,977
Net charge to the income statement	於損益表中扣除淨額		
Current service cost	即期服務成本	165	257
Interest cost	利息成本	26	26
		191	283
Net credit to other comprehensive income	於其他全面收入中計入淨額		
Remeasurements:	重新計量：		
Actuarial loss/(gain) arising from:	自以下各項產生之精算虧損／(收益)：		
Liability experience	經驗調整	(180)	(1,629)
Financial assumptions	財務假設	(7)	68
Demographic assumptions	人口分佈假設	(318)	(3)
		(505)	(1,564)
Other	其他		
Benefits paid	已付福利	(684)	(318)
At 31 December	於12月31日	1,380	2,378

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

The principal actuarial assumptions used for accounting purposes are as follows:

就會計目的採用之主要精算假設如下：

		2017 %	2016 %
Discount rate	貼現率	1.4	1.2
Long-term salary increase rate	長期薪金增長率	4.0	4.0
Long term average expected return on mandatory provident fund scheme assets	強制性公積金計劃資產之長期平均預期回報	3.5	3.5

The sensitivity of the defined benefit obligation to changes in the significant principal assumptions are as follows.

界定福利責任對重大主要假設變動的敏感度載列如下。

		Impact on defined benefit obligation 界定福利責任之影響		
		Change in assumption 假設變動	Increase 增加	Decrease 減少
Discount rate	貼現率	0.25%	Decrease by 0.6% 減少0.6%	Increase by 0.6% 增加0.6%
Long-term salary increase rate	長期薪金增長率	0.25%	Increase by 2.9% 增加2.9%	Decrease by 2.8% 減少2.8%
Long-term average expected return on mandatory provident fund scheme assets	強制性公積金計劃資產之長期平均預期回報	0.25%	Decrease by 2.3% 減少2.3%	Increase by 2.4% 增加2.4%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied.

以上敏感度分析是基於只有一個假設的改變，而其他假設則沒有變動。實際上，這是不太可能發生的，及某些假設之變動可能是互相關連的。當計算就重要的精算假設對該等界定福利責任的敏感度時，應用了相同方法（於報告期末以預計單位計入法計算該等界定福利責任的現值）。

The weighted average duration of the defined benefit obligation is 2.5 years as at 31 December 2017 (2016: 2.3 years).

於2017年12月31日界定福利責任的加權平均期限為2.5年（2016年：2.3年）。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

25 DEFERRED TAXATION

Deferred taxation is calculated in full on temporary differences under the liability method using tax rates substantively enacted as at the balance sheet date. The movement on the net deferred tax liabilities account is as follows:

		2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
At 1 January	於1月1日	6,278	7,141
Deferred taxation recognised in consolidated income statement (note 11)	於綜合損益表確認之遞延稅項 (附註11)	(6,071)	(863)
At 31 December	於12月31日	207	6,278

The movement on the deferred tax assets and liabilities (prior to offsetting of balances within the same taxation jurisdiction) during the year is as follows:

遞延稅項資產及負債(於相同徵稅司法權區抵銷結餘前)於本年內之變動如下:

		Deferred tax liabilities 遞延稅項負債			Deferred tax assets 遞延稅項資產	
		Accelerated tax depreciation 加速稅項折舊 HK\$'000 港幣千元	Intangible assets 無形資產 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元	Accounting tax depreciation 會計稅項折舊 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 January 2016	於2016年1月1日	518	6,714	7,232	(91)	(91)
Credited to consolidated income statement	於綜合損益表計入	(24)	(852)	(876)	-	-
Charged to consolidated income statement	於綜合損益表扣除	-	-	-	13	13
At 31 December 2016	於2016年12月31日	494	5,862	6,356	(78)	(78)
Credited to consolidated income statement	於綜合損益表計入	(246)	(5,862)	(6,108)	-	-
Charged to consolidated income statement	於綜合損益表扣除	-	-	-	37	37
At 31 December 2017	於2017年12月31日	248	-	248	(41)	(41)

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

Deferred tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefit through future taxable profits is probable. The Group has unrecognised tax losses of HK\$88,944,000 (2016: HK\$96,452,000) to carry forward against future taxable income. Tax losses amounting to HK\$53,230,000 will expire at various dates up to and including 2022 (2016 up to and including 2021: HK\$47,503,000). The remaining tax loss do not have expiry dates.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same fiscal authority. The following amounts, determined after appropriate offsetting, are shown in the consolidated balance sheet.

就結轉的稅項虧損而確認的遞延稅項資產僅限於有關之稅務利益很有可能透過未來應課稅溢利實現的部份。本集團之未確認稅項虧損，為數港幣88,944,000元(2016年：港幣96,452,000元)，可結轉以抵銷未來之應課稅收入。為數港幣53,230,000元之稅項虧損將於直至及包括2022年(截至2016年及包括2021年：港幣47,503,000元)的不同日期屆滿。餘下的稅項虧損並無屆滿日期。

當有法定可執行權利可將當期稅項資產與當期稅項負債抵銷，而遞延稅項涉及同一財政機關，則可將遞延稅項資產與遞延稅項負債互相抵銷。在計入適當抵銷後，下列金額在綜合資產負債表內列賬。

		2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
Deferred tax assets	遞延稅項資產	(41)	(78)
Deferred tax liabilities	遞延稅項負債	248	6,356
		207	6,278

26 BANK LOANS

26 銀行貸款

		2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
Due for repayment within one year	1年內到期償還	126,402	204,000
Due for repayment after one year, which contains a clause of repayment on demand	1年後到期償還， 附帶按要求償還條款		
(i) in the second year	(i) 第2年	24,000	-
(ii) in the third to fifth years, inclusive	(ii) 第3至第5年 (包括首尾兩年)	12,000	-
		162,402	204,000

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

Notes:

- (a) As at 31 December 2017, the Group had bank loans of HK\$162,402,000 (2016: HK\$204,000,000) denominated in Hong Kong dollars.
- (b) The bank loans of the Group carried weighted average interest rates of 3.0% (2016: 2.8%) per annum.
- (c) The Group's bank loan of HK\$60,000,000 (2016: HK\$84,000,000) is subject to a floating charge over the assets of all the Company's subsidiaries.
- (d) The Group's bank loan of HK\$150,000,000 (2016: Nil) is personally guaranteed by a controlling shareholder.
- (e) The carrying amounts of loans approximate their fair values.

附註：

- (a) 於2017年12月31日，本集團有銀行貸款港幣162,402,000元(2016年：港幣204,000,000元)以港幣計值。
- (b) 本集團之銀行貸款之加權平均年利率為3.0%(2016年：2.8%)。
- (c) 本集團之銀行貸款為港幣60,000,000元(2016年：港幣84,000,000元)，其乃將本公司所有附屬公司之資產作浮動押記。
- (d) 本集團之銀行貸款為港幣150,000,000元(2016年：零)，其乃由控股股東個人作出擔保。
- (e) 貸款的賬面值與其公允值相若。

27 OPERATING LEASE COMMITMENTS

The future aggregate minimum lease rental expenses under non-cancellable operating leases are payable as follows:

27 經營租賃承擔

根據不可撤銷經營租賃須於日後支付的最低租金費用總額如下：

		Land and buildings		Office equipment	
		土地及樓宇		辦公室設備	
		2017	2016	2017	2016
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Within one year	一年內	11,027	11,205	395	396
In the second to fifth years inclusive	第二年至第五年 (包括首尾兩年)	7,825	12,075	918	1,063
		18,852	23,280	1,313	1,459

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

28 NOTES TO STATEMENT OF CASH FLOWS

Reconciliation of loss before taxation to cash (used in)/ generated from operations:

28 現金流量表附註

除稅前虧損與經營業務(耗用)/產生之現金對賬表:

		Note 附註	2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
Loss before taxation	除稅前虧損		(53,751)	(34,946)
Share option expenses	購股權開支		339	539
Depreciation	折舊	14	6,806	5,798
Amortisation of intangible assets	無形資產攤銷	16	1,628	3,401
Impairment loss on goodwill	商譽減值虧損	16	55,000	-
Impairment of contracting work-in-progress	興建中的工程減值	17	2,723	9,448
Impairment of receivables	應收賬款減值	18	3,160	82,304
Interest income	利息收入		(3,712)	(150)
Interest expense	利息開支		5,291	5,959
Fair value gain on investment properties	投資物業公允值收益	15	(2,000)	(560)
Gain on disposal of property, plant and equipment	出售物業、機器及設備之收益		(184)	(138)
Loss on write-off of intangible asset	撇銷無形資產之虧損	16	33,907	1,755
Operating profit before working capital changes	營運資金變動前之經營溢利		49,207	73,410
Decrease/(increase) in contracting work-in-progress	興建中的合約工程減少/(增加)		59,395	(121,702)
Increase in receivables	應收賬款增加		(95,791)	(10,408)
Decrease in deposits and prepayments	按金及預付款項減少		3,953	7,083
Increase in amounts due to other partner of joint operations	應付其他共同經營夥伴款項增加		-	9
Change in net balances with former related companies	前關連公司結餘淨額變動		-	70,984
Change in net balance with non-controlling interests	非控股權益淨額變動		66	315
(Decrease)/increase in payables and accruals and long service payment liabilities	應付賬款、應計費用及長期服務金負債(減少)/增加		(49,732)	122,650
Cash (used in)/generated from operations	經營業務(耗用)/產生之現金		(32,902)	142,341

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for the year.

淨債務對賬

本節列載本年之淨債務分析及淨債務變動。

Net debt 淨債務

2017
HK\$'000
港幣千元

Cash and cash equivalents	現金及現金等值	112,532
Time deposits with original maturities over three months	原到期日超過三個月定期存款	3,666
Borrowings — due for repayment within one year	借款 — 於一年內償還	(126,402)
Borrowings — due for repayment after one year	借款 — 於一年後償還	(36,000)
		(46,204)
Cash and cash equivalents	現金及現金等值	112,532
Time deposits with original maturities over three months	原到期日超過三個月定期存款	3,666
Gross debt — variable interest rates	總債務 — 浮動利率	(162,402)
		(46,204)

		Other assets 其他資產		Liabilities from financing activities 融資業務產生之負債		Total 總計
		Cash and cash equivalents 現金及現金等值	Time deposits with original maturities over three months 原到期日超過三個月定期存款	Borrowings — due for repayment within one year 借款 — 於一年內償還	Borrowings — due for repayment after one year 借款 — 於一年後償還	
Net debt as at 1 January 2017	於2017年1月1日之淨債務	111,723	17,561	(204,000)	-	(74,716)
Cash flows	現金流量	(1,224)	(13,895)	77,598	(36,000)	26,479
Foreign exchange adjustments	匯兌調整	2,033	-	-	-	2,033
Net debt as at 31 December 2017	於2017年12月31日之淨債務	112,532	3,666	(126,402)	(36,000)	(46,204)

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

29 RELATED PARTY TRANSACTIONS

(a) Key management personnel compensation

		2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	40,263	34,626
Pension — defined contribution scheme	退休金 — 界定供款計劃	1,218	966
Share option expenses	購股權開支	266	88
		41,747	35,680

(b) Significant related party transactions

Summary of the significant related party transactions carried out by the Group during the years are follows:

		Note 附註	2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
Service charges paid to — Company with a common controlling shareholder	向下列公司支付服務費 — 有一間共同控股股東之公司	(i)	(1,097)	—
Services income from — Company with a common controlling shareholder	來自下列公司之服務收入 — 有一間共同控股股東之公司	(ii)	1,760	—
— Former ultimate holding company	— 前最終控股公司	(ii)	—	2,031
— Former fellow subsidiaries	— 前同系附屬公司	(ii)	—	11,842
Service charges paid to — Former ultimate holding company	向下列公司支付服務費 — 前最終控股公司	(iii)	—	(7,836)
— Former fellow subsidiaries	— 前同系附屬公司	(iii)	—	(6,527)
Rental expenses paid to — Former ultimate holding company	向下列公司支付租金開支 — 前最終控股公司	(iv)	—	(858)
— Former fellow subsidiaries	— 前同系附屬公司	(iv)	—	(2,875)
Contracting work's income from — Former ultimate holding company	來自下列公司之合約工程收入 — 前最終控股公司	(v)	—	7,500
— Former fellow subsidiaries	— 前同系附屬公司	(v)	—	98,176

29 關連人士交易

(a) 主要管理人員薪酬

	2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
Salaries, allowances and benefits in kind	40,263	34,626
Pension — defined contribution scheme	1,218	966
Share option expenses	266	88
	41,747	35,680

(b) 重大關連人士交易

於年內本集團進行之重大關連人士交易概要如下：

	Note 附註	2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
Service charges paid to — Company with a common controlling shareholder	(i)	(1,097)	—
Services income from — Company with a common controlling shareholder	(ii)	1,760	—
— Former ultimate holding company	(ii)	—	2,031
— Former fellow subsidiaries	(ii)	—	11,842
Service charges paid to — Former ultimate holding company	(iii)	—	(7,836)
— Former fellow subsidiaries	(iii)	—	(6,527)
Rental expenses paid to — Former ultimate holding company	(iv)	—	(858)
— Former fellow subsidiaries	(iv)	—	(2,875)
Contracting work's income from — Former ultimate holding company	(v)	—	7,500
— Former fellow subsidiaries	(v)	—	98,176

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

Notes:

- (i) Service charges paid in respect of commission and documentation fee for placing were mutually agreed by both parties.
- (ii) Services income earned on services including property management, asset management services, consultancy fee, security, repair and maintenance, laundry, cleaning, etc. rendered was mutually agreed by both parties.
- (iii) Service charges paid in respect of administrative services provided by former ultimate holding company and former fellow subsidiaries to the Group which were reimbursed at cost based on time and expenses allocated to the Group.
- (iv) Rental expenses paid to former ultimate holding company and former fellow subsidiaries were based on actual usage and market rent.
- (v) Contracting work's income earned from former ultimate holding company and former fellow subsidiaries, was mutually agreed by both parties.

附註：

- (i) 就配售事項之佣金及文件費支付之服務費，乃按雙方協定而收取。
- (ii) 就提供服務(包括物業管理、資產管理服務、顧問費、保安、維修及保養、洗衣及清潔等服務)賺取之服務收入，乃按雙方協定而收取。
- (iii) 就前最終控股公司及前同系附屬公司向本集團提供行政服務支付之服務費，乃根據分配至本集團之時間及開支按成本支付。
- (iv) 向前最終控股公司及前同系附屬公司支付之租金開支，乃根據實際用途及市場租金計算。
- (v) 賺取自前最終控股公司及前同系附屬公司之合約工程收入，乃按雙方協定而收取。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

30 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

Balance sheet of the Company

As at 31 December 2017

30 本公司資產負債表及儲備變動

本公司資產負債表

於2017年12月31日

		2017 HK\$'000 港幣千元	2016 HK\$'000 港幣千元
Non-current assets	非流動資產		
Property, plant and equipment	物業、機器及設備	63	–
Subsidiaries	附屬公司	89,204	89,009
Total non-current assets	非流動資產總額	89,267	89,009
Current assets	流動資產		
Other receivables	其他應收款項	22,082	11,920
Deposits and prepayments	按金及預付款項	307	299
Amounts due from subsidiaries	應收附屬公司款項	170,927	209,766
Cash and cash equivalents	現金及現金等值	24,178	521
Total current assets	流動資產總額	217,494	222,506
Current liabilities	流動負債		
Payables and accruals	應付賬款及應計費用	2,898	3,615
Bank loan	銀行貸款	60,000	84,000
Total current liabilities	流動負債總額	62,898	87,615
Net current assets	流動資產淨值	154,596	134,891
Total assets less current liabilities	資產總額減流動負債	243,863	223,900
Non-current liabilities	非流動負債		
Deferred tax liabilities	遞延稅項負債	10	–
Total non-current liabilities	非流動負債總額	10	–
Net assets	資產淨值	243,853	223,900
Equity attributable to equity holders of the Company	本公司股權持有人應佔權益		
Share capital	股本	50,486	43,055
Retained profits and other reserves	保留溢利及其他儲備	193,367	180,845
Total equity	權益總額	243,853	223,900

The balance sheet of the Company was approved by the Board of Directors on 27 March 2018 and was signed on its behalf.

本公司資產負債表經董事會於2018年3月27日批准，並由以下人士代表簽署。

Kingston Chu Chun Ho 朱俊浩
Chairman 主席

Terence Leung Siu Cheong 梁兆昌
Director 董事

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

Reserve of the Company

本公司儲備

		Share capital	Share premium	Contributed surplus	Employee Share Option reserve 僱員 購股權儲備	((Accumulated losses)/ retained profit (累計虧損)/ 保留溢利)	Total equity 權益總額
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
At 1 January 2017	於2017年1月1日	43,055	114,143	82,601	255	(16,154)	223,900
Loss attributable to equity holders of the Company	本公司股權持有人應佔虧損	-	-	-	-	(58,500)	(58,500)
Placing of new shares	配售新股份	6,952	66,777	-	-	-	73,729
Share option scheme	購股權計劃	-	-	-	195	-	195
Issue of shares upon exercise of share options	因行使購股權而發行股份	479	4,500	-	(450)	-	4,529
At 31 December 2017	於2017年12月31日	50,486	185,420	82,601	-	(74,654)	243,853
At 1 January 2016	於2016年1月1日	42,768	107,377	82,601	764	6,487	239,997
Loss attributable to equity holders of the Company	本公司股權持有人應佔虧損	-	-	-	-	(5,530)	(5,530)
2015 final dividend paid	已派2015年度末期股息	-	-	-	-	(10,692)	(10,692)
2016 interim dividend paid (note 12)	已派2016年度中期股息 (附註12)	-	-	-	-	(6,419)	(6,419)
Adjustment	調整	-	3,558	-	-	-	3,558
Share option scheme	購股權計劃	-	-	-	(509)	-	(509)
Issue of shares upon exercise of share options	因行使購股權而發行股份	287	3,208	-	-	-	3,495
At 31 December 2016	於2016年12月31日	43,055	114,143	82,601	255	(16,154)	223,900

Note:

The contributed surplus represents the difference between the consolidated shareholders' funds of the subsidiaries and the nominal value of the Company's shares issued for the acquisition of these subsidiaries at the time of the Group's reorganisation in 2003. Under the Companies Act 1981 of Bermuda (as amended), the Company may make distributions to its members out of the contributed surplus.

附註：

繳入盈餘指附屬公司綜合股東資金與本公司於2003年集團重組時就收購該等附屬公司所發行之本公司股份面值兩者間差額。根據百慕達1981年公司法(經修訂)，本公司可自繳入盈餘向其股東作出分派。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

31 HOLDING COMPANY

The directors regarded Champ Key, a company incorporated in British Virgin Islands, as its ultimate holding company.

32 PRINCIPAL SUBSIDIARIES

31 控股公司

董事視Champ Key(於英屬處女群島註冊成立的公司)為其最終控股公司。

32 主要附屬公司

Name 名稱	Place of incorporation and operation 註冊成立及經營地點	Principal activities 主要業務	Issued and paid up/ registered capital 已發行及繳足/註冊股本	Effective percentage of interest held 所持實際權益百分比	
				2017	2016
Interest held directly: 直接持有權益：					
Synergis Holdings (BVI) Limited	British Virgin Islands ¹ 英屬處女群島 ¹	Investment holding 投資控股	100,000 ordinary shares of HK\$0.1 each 100,000股每股面值 港幣0.1元之普通股	100%	100%
Driven Power Management Limited	British Virgin Islands ¹ 英屬處女群島 ¹	Investment holding 投資控股	100 ordinary shares of US\$1 each 100股每股面值1美元之 普通股	100%	100%
Interest held indirectly: 間接持有權益：					
Synergis Management Services Limited 昇捷管理服務有限公司 (前稱新昌管理服務有限公司)	Hong Kong 香港	Provision of property management services and investment holding 提供物業管理服務及投資控股	206,837 ordinary shares of HK\$1 each 206,837股每股面值港幣 1元之普通股	100%	100%
Synergis Facility Management Limited 昇捷設施管理有限公司 (前稱新昌設施管理有限公司)	Hong Kong 香港	Provision of facility management services 提供設施管理服務	2 ordinary shares of HK\$1 each 2股每股面值港幣1元 之普通股	100%	100%
Service Pro Limited 諾迅服務有限公司	Hong Kong 香港	Provision of maintenance contracting 提供保養合約	2 ordinary shares of HK\$1 each 2股每股面值港幣1元 之普通股	100%	100%
SecurExpert Solutions Limited 新盛保安服務有限公司	Hong Kong 香港	Provision of security and consultancy services 提供保安及顧問服務	2 ordinary shares of HK\$1 each 2股每股面值港幣1元 之普通股	100%	100%

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

Name 名稱	Place of incorporation and operation 註冊成立及經營地點	Principal activities 主要業務	Issued and paid up/ registered capital 已發行及繳足/註冊股本	Effective percentage of interest held 所持實際權益百分比	
				2017	2016
Laundrimate Service Limited 洗衣樂服務有限公司	Hong Kong 香港	Provision of laundry services 提供洗衣服務	2 ordinary shares of HK\$1 each 2股每股面值港幣1元 之普通股	100%	100%
Master Clean Service Limited 宏潔服務有限公司	Hong Kong 香港	Provision of cleaning services 提供清潔服務	200,000 ordinary shares of HK\$1 each 200,000股每股面值 港幣1元之普通股	100%	100%
SynWave Services Limited 新浪潮服務有限公司	Hong Kong 香港	Sales of products, provision of copying services and property holding 銷售產品、提供複印服務及 持有物業	1 ordinary share of HK\$1 1股面值港幣1元之 普通股	100%	100%
ISP Interiors Limited (formerly known as Hsin Chong Interiors (Hong Kong) Limited) 昇柏室內裝飾有限公司 (前稱新昌室內裝飾(香港)有限公司)	Hong Kong 香港	Provision of fitting-out, renovation and addition and alteration works 提供室內裝修、翻新與加建及 改建工程	5,000,000 ordinary share of HK\$1 each 5,000,000股每股面值 港幣1元之普通股	100%	100%
ISP Construction (Engineering) Limited (formerly known as Hsin Chong Construction (Engineering) Limited) 昇柏營造廠(工程)有限公司 (前稱新昌營造廠(工程)有限公司)	Hong Kong 香港	Provision of demolition work, addition and alteration works and special construction projects 提供拆建工程與加建及改建工程及 特殊建造項目	22,000,000 ordinary share of HK\$1 each 22,000,000股每股面值 1港幣元之普通股	100%	100%
ISP Curtain Wall and Aluminum Products Limited (formerly known as Hsin Chong abp Company Limited) 昇柏幕牆及鋁質製品有限公司 (前稱新昌幕牆及鋁質製品有限公司)	Hong Kong 香港	Provision of curtain walling, cladding and related products 提供幕牆、圍蔽及相關產品	100,000 ordinary shares of HK\$1 100,000股每股面值 港幣1元之普通股	100%	100%
ISP Sourcing Services Limited (formerly known as Hsin Chong Sourcing Services Limited) 昇柏採購服務有限公司 (前稱新昌採購服務有限公司)	Hong Kong 香港	Provision of procurement and supply chain services and trading business 提供採購及供應鏈服務及貿易業務	2 ordinary shares of HK\$1 2股每股面值港幣1元 之普通股	100%	100%
P1 Design Limited 柏壹設計有限公司	Hong Kong 香港	Provision of interior design consultancy and fitting-act design project management 提供室內設計顧問及 裝修設計項目管理	1 ordinary share of HK\$1 1股面值港幣1元之 普通股	100%	-

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

Name 名稱	Place of incorporation and operation 註冊成立及經營地點	Principal activities 主要業務	Issued and paid up/ registered capital 已發行及繳足/註冊股本	Effective percentage of interest held 所持實際權益百分比	
				2017	2016
Everich Construction (Macau) Limited 恒裕建築(澳門)有限公司	Macau 澳門	Provision of renovation and fitting-out works 提供翻新及室內裝飾工程	MOP25,000 澳門幣25,000	100%	100%
Synergis Property Management (Shenzhen) Co., Ltd. ² 昇捷物業管理(深圳)有限公司 [#] (前稱新昌物業管理(深圳)有限公司)	PRC (wholly owned foreign enterprise) 中國(外資獨資企業)	Provision of property management, repair and maintenance of sophisticated equipment and indoor cleaning services, and property management consultancy services 提供物業管理、維修保養先進 設備及室內清潔服務, 以及 物業管理顧問服務	RMB31,000,000 人民幣31,000,000元	100%	100%
Synergis Property Services (Beijing) Co. Ltd. ² 昇捷物業服務(北京)有限公司 ^Δ (前稱新昌物業服務(北京)有限公司)	PRC (wholly owned foreign enterprise) 中國(外資獨資企業)	Provision of property and facility management services, property agent and property consultancy services 提供物業及設施管理服務、房地產 經紀及房地產顧問服務	RMB32,000,000 人民幣32,000,000元	100%	100%
新順(東莞)金屬制品有限公司	PRC (wholly owned foreign enterprise) 中國(外資獨資企業)	Provision of direct metal work and curtain wall fabrication 提供直接的五金製品及幕牆製造廠	RMB9,000,000 人民幣9,000,000元	60%	60%

¹ This is an investment holding company with no specific place of operation.

² These are not registered company names but merely for identification purposes only.

[#] The company name has been changed from “新昌物業管理(深圳)有限公司” to “昇捷物業管理(深圳)有限公司” with effect from 29 March 2018.

^Δ The company name has been changed from “新昌物業服務(北京)有限公司” to “昇捷物業服務(北京)有限公司” with effect from 31 January 2018.

¹ 該公司為一間投資控股公司, 並無具體經營地點。

² 該等並非註冊公司名稱, 僅供識別。

[#] 自2018年3月29日起, 其公司名稱已由「新昌物業管理(深圳)有限公司」更改為「昇捷物業管理(深圳)有限公司」。

^Δ 自2018年1月31日起, 其公司名稱已由「新昌物業服務(北京)有限公司」更改為「昇捷物業服務(北京)有限公司」。

33 JOINT OPERATIONS

33 共同經營

Name 名稱	Place of operation 經營地點	Principal activities 主要業務	Participating shares 參股	
			2017	2016
Hsin Chong-Wah Cheong Joint Venture (02)	Hong Kong 香港	Construction 建造	50%	50%

FIVE-YEAR FINANCIAL SUMMARY

五年財務摘要

		2017	2016	2015	2014	2013
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Operating Results	經營業績					
Revenue	收益	2,083,300	2,433,471	2,447,379	1,906,253	1,680,076
(Loss)/profit before taxation	除稅前(虧損)/溢利	(53,751)	(34,946)	67,524	56,098	45,804
Taxation	稅項	(1,770)	(4,766)	(12,243)	(10,756)	(11,413)
(Loss)/profit for the year	年內(虧損)/溢利	(55,521)	(39,712)	55,281	45,342	34,391
Non-controlling interests	非控股權益	1,144	229	-	-	1
(Loss)/profit attributable to equity holders of the Company	(虧損)/溢利歸屬於本公司股權持有人	(54,377)	(39,483)	55,281	45,342	34,392
Assets and Liabilities	資產及負債					
Assets	資產					
Property, plant and equipment	物業、機器及設備	15,263	13,435	6,883	8,891	11,005
Investment properties	投資物業	5,600	3,600	3,040	2,800	3,170
Intangible assets	無形資產	-	35,535	40,691	48,974	57,700
Goodwill	商譽	116,794	171,794	171,794	168,968	168,968
Deferred tax assets	遞延稅項資產	41	78	91	144	381
Prepayment	預付款項	2,080	1,840	-	-	-
Current assets	流動資產	981,119	971,280	1,007,076	720,337	666,034
Total assets	資產總額	1,120,897	1,197,562	1,229,575	950,114	907,258
Liabilities	負債					
Current liabilities	流動負債	868,442	963,278	938,974	693,361	670,768
Long service payment liabilities	長期服務金負債	1,380	2,378	3,977	1,940	1,642
Deferred tax liabilities	遞延稅項負債	248	6,356	7,232	8,859	10,649
Total liabilities	負債總額	870,070	972,012	950,183	704,160	683,059
Non-controlling interests	非控股權益	(1,158)	(14)	(1,211)	-	225
Equity attributable to equity holders of the Company	本公司股權持有人應佔權益	251,985	225,564	280,603	245,954	223,974

MAJOR PROJECTS

主要工程項目

MAJOR PROJECT IN-PROGRESS

現時進行之主要工程項目

Description 詳情	Group's Interest 本集團所佔權益	Commencement Date 開工日期	Anticipated Completion Date 預期竣工日期	Client/Ultimate Employer 客戶／最終僱主
INTERIORS AND SPECIAL PROJECTS				
室內裝修與特殊項目				
Main Contract for Residential Development at Discovery Bay North Phase 16 愉景灣北第16期住宅樓宇發展項目	100%	January 2016 2016年1月	May 2018 2018年5月	Hong Kong Resort Company Limited 香港興業有限公司
Fitting-out works for M+ Museum Project at West Kowloon Cultural District, Hong Kong 香港西九文化區之M+博物館裝修工程	100%	December 2015 2015年12月	February 2019 2019年2月	West Kowloon Cultural District Authority 西九文化區管理局
Builder Works for Automation of Arrival Bags Delivery at Hong Kong International Airport 香港國際機場入境行李提取處自動化的建築工程	100%	September 2017 2017年9月	June 2019 2019年6月	ATAL Engineering Limited 安樂工程有限公司
Reprovision of an Indoor All-Weather Swimming Pool at Po Leung Kok Camoes Tan Siu Lin Primary School at 6 Hoi Ting Road, Tau Ma Tei, Kowloon 重置九龍油麻地海庭道6號的保良局陳守仁小學的室內全天候游泳池	100%	August 2017 2017年8月	April 2020 2020年4月	The Incorporated Management Committee of Po Leung Kok Camoes Tan Siu Lin Primary School 保良局陳守仁小學法團校董會
Alteration and Addition Works at Commercial/ Carpark Block, Hing Man Shopping Centre at No. 188 Tai Tam Road, Hong Kong 香港大潭道188號興民商場商業／停車場大樓的改建及加建工程	100%	November 2017 2017年11月	June 2018 2018年6月	ACE Ample Hong Kong Limited 傑豐香港有限公司
Named DSC for Interior Decoration for Hotel Guestrooms, Corridors, lift Lobbies and Lift Car at Tung Chung Town Lot No. 2 & 11 就東涌市地段第2及11號酒店客房、走廊、升降機大堂及電梯車的室內裝修工程 獲指名為承建商自選的分包商	100%	December 2017 2017年12月	March 2019 2019年3月	Hip Hing Construction Company Limited 協興建築有限公司

MAJOR PROPERTIES

主要物業

PROPERTIES HELD FOR INVESTMENT AS AT 31 DECEMBER 2017

於2017年12月31日持作投資之物業

Description	Use	Status	Lease Term	Percentage of Group's Interest
詳情	用途	狀況	租賃年期	本集團所佔權益百分比
Car Park Nos. P250, P251, P252, P253, P254, P255, P256 and P257, Sun Hing Garden, No.2 On Po Lane, Tai Po, New Territories. 24/64,299th shares of and in Tai Po Town Lot No. 26	Carpark	Rental	Medium	100%
新界大埔安埔里2號新興花園P250、P251、P252、P253、P254、P255、P256及P257號車位大埔市地段26號第64,299份之24份	泊車位	出租	中期	100%

CORPORATE INFORMATION

公司資料

Board of Directors 董事會

Kingston Chu Chun Ho
(Chairman)
朱俊浩
(主席)
Terence Leung Siu Cheong
(Deputy Chairman and
Managing Director)
梁兆昌
(副主席及董事總經理)
Ronald Lau Man Tak*
劉文德*
Eric Lee Hon Man*
李翰文*
Edward Wong Yun Kuen*
黃潤權*
Kan Fook Yee*
簡福飴*

* Independent Non-executive
Director
* 獨立非執行董事

Audit Committee 審核委員會

Ronald Lau Man Tak (Chairman)
劉文德(主席)
Eric Lee Hon Man
李翰文
Edward Wong Yun Kuen
黃潤權
Kan Fook Yee
簡福飴

Nomination Committee 提名委員會

Kan Fook Yee (Chairman)
簡福飴(主席)
Kingston Chu Chun Ho
朱俊浩
Ronald Lau Man Tak
劉文德
Eric Lee Hon Man
李翰文
Edward Wong Yun Kuen
黃潤權

Remuneration Committee 薪酬委員會

Edward Wong Yun Kuen (Chairman)
黃潤權(主席)
Kingston Chu Chun Ho
朱俊浩
Ronald Lau Man Tak
劉文德
Eric Lee Hon Man
李翰文
Kan Fook Yee
簡福飴

Executive Committee 執行委員會

Kingston Chu Chun Ho
朱俊浩
Terence Leung Siu Cheong
梁兆昌
William Yeung Wai Ling
楊威寧
Mandy Hui Suk Man
許淑敏

Company Secretary 公司秘書

Eric Chan Kwong Leung
陳鄭良

Auditor 核數師

PricewaterhouseCoopers
羅兵咸永道會計師事務所

Principal Bankers 主要往來銀行

The Hongkong and Shanghai
Banking Corporation Limited
香港上海滙豐銀行有限公司
Chong Hing Bank Limited
創興銀行有限公司
China Everbright Bank Company
Limited
中國光大銀行股份有限公司
O-Bank Co., Ltd.
王道商業銀行股份有限公司

Registered Office 註冊辦事處

Clarendon House
2 Church Street
Hamilton, HM 11
Bermuda

Head office and Principal Place of Business in Hong Kong 總辦事處及香港 主要營業地點

7/F., Linkchart Centre
2 Tai Yip Street
Kwun Tong, Kowloon
Hong Kong
香港九龍觀塘
大業街2號
聯卓中心7樓

Principal Share Registrar and Transfer Agent 主要股份過戶登記處

MUFG Fund Services (Bermuda)
Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

Hong Kong Branch Share Registrar and Transfer Office 香港股份過戶登記分處

Computershare Hong Kong
Investor Services Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong
香港中央證券登記有限公司
香港灣仔皇后大道東183號
合和中心17樓1712-1716號舖

Stock Code 股份代號

02340

Board Lot 每手買賣單位

4,000 shares
4,000股

Website 網站

www.synergis.com.hk

E-mail Address 電郵地址

info@synergis.com.hk

Financial Calendar

Announcement of interim results 30 August 2017
Announcement of annual results 27 March 2018
Annual General Meeting for 2018 18 May 2018

財務日誌

公佈中期業績 2017年8月30日
公佈全年業績 2018年3月27日
2018年股東周年大會 2018年5月18日



SYNERGIS HOLDINGS LIMITED
昇捷控股有限公司

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